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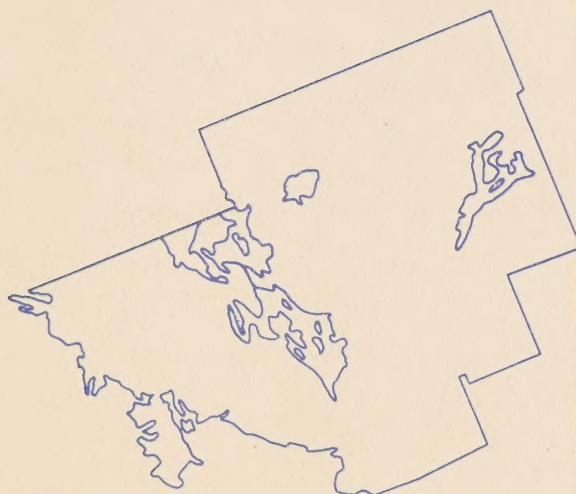
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MUSKOKA DISTRICT LOCAL GOVERNMENT REVIEW



FINAL REPORT AND RECOMMENDATIONS

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MUSKOKA DISTRICT
LOCAL GOVERNMENT REVIEW

FINAL REPORT
AND RECOMMENDATIONS

JUNE 1969

DONALD M. PATERSON
Commissioner and Research Director





MUSKOKA DISTRICT LOCAL GOVERNMENT REVIEW

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DONALD M. PATERSON, RESEARCH DIRECTOR

AND COMMISSIONER

June 25, 1969.

The Honourable W. Darcy McKeough,
Minister of Municipal Affairs,
Province of Ontario,
Queen's Park,
Toronto.

Dear Sir:

In accordance with the terms of reference set forth
by the Honourable J. W. Spooner in his letter of May 10th, 1967, and
with your letter of appointment of April 24th, 1968, I have completed
my review of local government in the District of Muskoka and
respectfully submit the following report for your consideration.

Yours sincerely,

Donald M. Paterson,
Commissioner and
Research Director

FOREWORD

This Review could not have been carried out without the help and cooperation of many individuals and organizations. In acknowledging their assistance it must be noted that responsibility for the recommendations in this report rests solely with the Commissioner however.

I am grateful for the substantial assistance provided throughout the Review by members of the Local Study Committee under the able Chairmanship of Mr. Jack Johnston, by numerous elected and appointed municipal officials throughout the review area, by the Executive of the Muskoka District Council, by several Departments of the Provincial Government, and by the Muskoka Lakes, Lake of Bays and Peninsula Lake Associations.

Particular thanks are due to the Muskoka District Home For The Aged Board for providing space for the public hearings, to those who participated in the many Local Study Committee meetings, to the municipal Clerks who took time to answer an extensive questionnaire, to the Muskoka District Assessor for special tabulations, to Professor Norman Pearson for the provision of research material gathered on behalf of the Muskoka Lakes, Lake of Bays and Peninsula Lake Associations, and to senior staff members of the Departments of Municipal Affairs, Treasury and Economics, Highways, Education, Social and

Family Services, Health, Tourism and Information, Lands and Forests, and the Attorney-General.

The Coordinator of Municipal Studies for the Province, Mr. John Pearson, deserves a special word of appreciation for his advice and support, and my thanks are also due to Mrs. Jane Hay who provided efficient secretarial service throughout the Review.

The local newspapers are also to be commended for their extensive and impartial reporting of all important aspects of the Review, and for their editorial support of constructive change.

Finally, but not least, all those who made submissions to the Review, whether written, oral or both, deserve the sincere thanks of other citizens in the review area and of the Commissioner, for their positive contributions to the improvement of local government in Muskoka.

TERMS OF REFERENCE OF THE
MUSKOKA DISTRICT LOCAL GOVERNMENT REVIEW

The Review was instituted on May 10, 1967 to enquire into and report upon:

- (a) the structure, organization, financing and methods of operation of all the municipalities and their local boards in the District of Muskoka;
- (b) all aspects of the functions and responsibilities of the existing local government institutions within the said area, and, in particular, without limiting the generality of the foregoing, inter-municipal relations and problems which concern or may concern any two or more of the municipal corporations or local boards having jurisdiction within the said area;
- (c) the anticipated future development of the area or other changes therein which may require reorganization or revision of the existing system of local government in the area;
- (d) the effect of present and anticipated future projects and operations of the national and provincial governments upon the responsibilities and resources of local government therein;
- (e) any other related matters, including an examination of boundaries, affecting the local government structure within the area.

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PART ONE

THE REVIEW

CHAPTER 1
BACKGROUND AND SCOPE

LOCAL GOVERNMENT REVIEWS IN ONTARIO

During the last quarter century, Ontario has undergone great growth and change, bringing new and difficult problems for local government. These first became acute in the Toronto area nearly 20 years ago when it became obvious that the existing structure of local government could no longer cope with the situation. The result was the predecessor of the current series of Ontario Local Government Reviews, the study conducted by Dr. Lorne R. Cumming which led to the creation of Metropolitan Toronto in 1953.

A decade went by before the current series of reviews was commenced with a study of the Ottawa, Eastview and Carleton County area. Since then, reviews have been commissioned in the Niagara, Peel-Halton, Lakehead, Brant, Waterloo, Muskoka, Hamilton-Wentworth, Sudbury, and Norfolk-Haldimand areas, while the County of York has commenced a study of its own area and a review has been proposed for the Oshawa-centered region. Meanwhile, the Metropolitan Toronto experience was itself reviewed, leading to a reduction in the number of lower-tier Metro municipalities from the original thirteen to six.

Of the reviews which have been commissioned, those for Ottawa, Niagara, Peel-Halton, and the Lakehead have reported. Legislation was passed in 1968 to establish the Regional Municipality of Ottawa-Carleton, a two-tier system retaining existing municipalities at the lower tier. Legislation has also just been given third reading to incorporate the City Of The Lakehead, a single municipality comprising Fort William, Port Arthur, and two adjoining townships, and legislation to create a Niagara Regional Government in the Lincoln-Welland area has now received second reading. The Minister of Municipal Affairs has also presented detailed proposals for the establishment of regional government in Peel-Halton, preparatory to final discussions with local officials in this area and the drafting of legislation. Both the Niagara and Peel-Halton schemes are for two-tier governments with a reduced number of municipalities at the lower tier.

Thus the program of reviews is extensive and it is apparent that the pace has accelerated in recent years.

Other Studies

The Province has also sponsored several other studies of a broader nature than the local government reviews. Chief among these are the studies carried out by the Select Committee On The Municipal Act And Related Acts (the Beckett Report), the Ontario Committee On Taxation (the Smith Report), the Select Committee On The Recommendations Of The Committee On Taxation (the White Report), and by the Department of Treasury and Economics

(the Design for Development studies). The need for larger units of local government has emerged clearly from each of these studies. In the case of the Smith Report and the subsequent Select Committee Report, it was emphasized that the reform of municipal finance and of municipal structure are required if the basic problems facing local government are to be adequately met.

Based on these and other studies such as the Metropolitan Toronto and Region Transportation Study, and the extensive program of regional economic development studies carried out by the Department of Treasury and Economics in cooperation with Regional Development Councils throughout the province, some general provincial policy guidelines began to emerge as the series of local government reviews progressed.

The most pertinent of these guidelines was issued in "Design For Development - Phase Two", comprising statements by the Prime Minister and the Minister of Municipal Affairs, issued late in 1968. These statements indicated that the Ontario Government has adopted the policy of establishing a series of regional governments across the province in order to make local government as strong and meaningful as possible. The statements emphasized "that the mechanism of several hundreds of small municipalities has become an inadequate means of meeting the requirements of the people of Ontario in the second half of the century" and that "in the restructuring of municipal government on a regional basis there will be an

accompanying significant reduction in the total number of municipalities now existing in Ontario". * In enunciating this policy, the government made it clear that it was accepting its ultimate responsibility under the British North America Act for the creation of municipal institutions within the province, and that "the establishment of regional government will be as major a change in our day as was the Baldwin Act of 1849 which set up the basic municipal structure we now know". **

Meanwhile, a comparable but separate consolidation of local administration in the field of education had been launched a year before "Design For Development - Phase Two" was issued, and the new County And District Boards Of Education were about to take over from their predecessors as of January 1st, 1969.

THE MUSKOKA REVIEW

Serious local concern over the need to improve municipal government in Muskoka preceded the launching of the first of the current series of local government reviews in the Ottawa-Carleton area in 1964. Over a three year period, discussions at the semi-annual meetings of the

* Statement by Prime Minister Robarts to the Legislature, November 28, 1968.

** Ibid

Muskoka District Council * were increasingly concerned with growing problems of an inter-municipal nature. As a result of these deliberations, the Muskoka District Council at its meeting in May 1966, adopted by formal resolution a proposal addressed to the then Minister of Municipal Affairs, the Honourable J. W. Spooner, supporting a local government study similar to those under way in other parts of the province, but having regard for the particular problems facing the municipalities of Muskoka. Twenty-four of the twenty-five Muskoka municipalities were represented at that meeting, and the resolution was carried with twenty-two in favour and only two against. Subsequently, nineteen of the Councils in the District passed by-laws formally requesting the Department of Municipal Affairs to undertake the Review. As with the other reviews, the cost was to be shared with the Province bearing half, the municipalities in the review area the other half.

Following consideration of the resolution by the Minister, his Special Advisor Dr. Lorne R. Cumming, and the Department's Coordinator of Municipal Studies, Mr. John Pearson, the Minister announced in November 1966 that subject to the employment of qualified personnel, he would authorize the requested study to be undertaken. Subsequently, a Muskoka District Local Government Review Study Committee was organized, with a broad

* The Muskoka District Council is a recognized body comprising representatives from all the municipalities in the District of Muskoka, but it is a body without statutory authority, unable to perform any of the functions of local government.

membership comprising leading municipal officials and citizens from all parts of the district. One of the first tasks of this Local Study Committee was to assist the Department in defining the Terms of Reference for the Review.

Then on May 10th, 1967, the Minister of Municipal Affairs wrote to the municipalities in the District announcing the appointment of the Research Director, and formally launching the Review. A copy of the Minister's letter will be found in Appendix A.

It will be recalled that at this time, the Ottawa, Niagara, and Peel-Halton Reviews had reported, and that the Ontario Committee On Taxation Report, containing a tentative proposal for a system of regional governments across the province, had just been released.

The Muskoka Review was thus launched as a joint undertaking of the municipalities in the District and the Province, following years of deliberation amongst the elected representatives of the municipalities and a nearly unanimous request to the Minister for the study; and the launching took place when the program of local government reviews in the province was well under way, and after significant changes in municipal structure had been recommended as a result of several other studies.

Scope of the Review

The terms of reference require the Review to enquire into and

report upon all aspects of the existing local government institutions within the District of Muskoka. But with regard to areas adjacent to Muskoka, the terms are more restricted, requiring only the study of "any other related matters, including an examination of the boundaries, affecting the local government structure within the area". While this clearly requires an examination of the suitability of the present outer boundaries of the District, and while the Health Unit, fire protection arrangements, and school attendance areas linking Muskoka, Parry Sound and Haliburton are clearly to be examined as aspects of the functions and responsibilities of local government in Muskoka, it is apparent that the terms of reference do not contemplate any major extension of the review area to include a region much larger than Muskoka.

Yet both the Ontario Committee On Taxation Report and the Regional Criteria subsequently laid down in "Design for Development - Phase Two" indicate that the District of Muskoka is not large enough in terms of population to itself constitute one of the proposed governmental regions.

Since the Review must necessarily be concerned with the long-term viability of the local government which it will recommend, this larger question cannot be ignored. That is, the Review must consider whether the minimum size criteria suggested for regions generally, are really applicable in the case of Muskoka. But beyond this, if it is concluded that Muskoka

should ultimately become part of a larger governmental region, it is evident that the Muskoka Review does not have the scope to determine where the boundaries of such a larger region should be.

The Review will therefore give careful consideration to this larger question, and explore the possible alternatives for a larger region; but until the other areas affected have themselves participated in studies, it would be inappropriate to make major recommendations that would affect them significantly.

Purpose of the Review

The purpose of the Muskoka Review is therefore to recommend any necessary changes in the structure, functions and methods of operation of local government in the District of Muskoka, so as to make it capable of meeting present and future needs in the District, and of constituting a viable part of a potentially larger region. In considering the needs which local government must meet, the requirements of ratepayers who use their properties both permanently and seasonally, must of course receive basic consideration; but the role of Muskoka as a recreational area serving people from many parts of the province also requires a concern for the preservation and improvement of this area as an invaluable heritage of the people of Ontario. Municipal government in Muskoka must be responsive and responsible to the public interest in broader than local terms.

REPORT OUTLINE

In the next chapter, the Review procedure which has been followed will be described, then in Chapters 3 and 4 the research findings and the submissions presented at the public hearings will be summarized. Further discussion of the findings and submissions bearing on each issue to be decided will be found in the chapters of Part Two.

In Part Two of the Report, Chapter 5 will deal with the criteria which any improvements in local government should be designed to meet, and the remaining chapters will each deal with one or more specific issues facing the Review. The findings and submissions bearing on each issue and the final recommendation to the Minister regarding the action that should be taken on that issue will be discussed in the same chapter, so that the reasoning behind each recommendation may be presented as fully as possible.

Part Three of the Report will then present a summary of all the recommendations, and a concluding chapter marking the end of the formal Review.

After the submission of this report to the Minister, several important steps remain to carry any changes through to implementation. A brief outline of these remaining steps is given at the end of Chapter 2, following.

CHAPTER 2

PROCEDURE

The Review procedure was designed with three fundamental purposes in mind: (1) to inform the Commissioner of the problems facing local government in Muskoka, and of the adequacy of present local government arrangements for meeting these problems; (2) to provide ample opportunity for all interested citizens in Muskoka to participate in the Review, both in helping to identify problems, and in expressing their opinions with regard to the future form of local government most suitable for Muskoka; (3) to keep municipal representatives, community organizations and the public as fully informed as possible about the progress of the Review, the findings, and the tentative conclusions which might be drawn from them.

The procedure followed during the first year of the Review was outlined in the introductory chapter of the Research Report, and bears repeating here.

As the Review got under way the Muskoka District Council, in cooperation with the Local Study Committee under the chairmanship of Mr. Jack Johnston, established a series of Sub-Committees of the Study Committee, each dealing with one or more of the functions of local government in the District. At the same time, the Province established

an Inter-Departmental Liaison Committee to work with the Review, comprising a senior civil servant from each of the Provincial departments and agencies having a direct interest in the review area. Each of the members of this Inter-Departmental Committee was appointed to one of the Local Study Sub-Committees.

Nearly forty meetings were held or attended by members of these bodies and the Research Director over the summer of 1967, in order to inform both permanent and summer residents of the Review procedure, and to help identify the problems facing local government in Muskoka. An initial Review Bulletin was also given widespread distribution to cottagers and year-round residents throughout the District.

This phase of the Review culminated in the preparation by the Research Director of a Preliminary Statement of Alternatives which was issued at the fall meeting of the Muskoka District Council, an excerpt of which was distributed to each member of the Muskoka Lakes Association and the Lake of Bays Association.

The suggested alternatives were given serious consideration over the winter months by many of the municipal councils and at a series of joint meetings of the Local Study Committee and the District Council Executive. A second Review Bulletin was then sent to councils, boards, cottagers' associations and other organizations in the District, with an

accompanying questionnaire regarding desirable changes in the present system of local government.

From response to the questionnaire areas of agreement and disagreement began to emerge and were analyzed in a third Bulletin, designed to set the stage for a series of workshop discussions at the spring 1968 meeting of the Muskoka District Council.

This meeting was attended by the Honourable W. Darcy McKeough, now Minister of Municipal Affairs, who used the occasion to launch the Review into its next stage by announcing the appointment of the Research Director as Review Commissioner, this being the first Review in which the same person had been given the dual responsibility of serving as Special Commissioner and Research Director.

Meanwhile, the research phase of the Review was being carried out with the assistance of an extensive questionnaire circulated to municipal clerks throughout the review area, and the Research Report was published in the late summer of 1968. This Report was given wide circulation throughout the Review area and extensive coverage in the local press, and anyone interested in obtaining a copy was invited to do so from the Review Office at Gravenhurst.

The next step was a departure from the procedure that had been followed in previous reviews, involving the publication in October 1968,

of a Preliminary Recommendations Report to set forth the Commissioner's tentative conclusions before the holding of public hearings. The purpose of this report was to present a set of tentative recommendations for the improvement of local government so that those in the review area would have an opportunity to react to them at the public hearings.

This report was given even wider circulation, both within the review area, and in adjacent municipalities affected by some of the tentative recommendations concerning the outer boundaries of the District of Muskoka. It was also noted in the Toronto press, and was given extensive coverage by the local press, which reprinted the Report verbatim.

The fall 1968 meeting of the Muskoka District Council was again devoted almost entirely to the Review, with the Preliminary Recommendations providing the topics for discussion. The Review had now reached the stage where the hard choices facing local government in Muskoka were coming clearly into focus.

Following the distribution of the Preliminary Recommendations Report, a special meeting was held concerning the suggested changes to the outer boundary of the District. Representatives from all municipalities which would be affected by such changes were invited to this meeting, in order to inform any who had not previously been involved in the Review about the procedure being followed, and to discuss the pros and cons of each

suggested boundary adjustment with those most affected.

The public hearings for the Review had originally been scheduled for the latter part of November 1968, but the controversial nature of many of the Preliminary Recommendations made it clear that most of those intending to make submissions would require more time for preparation. Consequently, it was decided to proceed with a round of hearings late in November for any who were prepared to be heard at that time, and to schedule a second round of hearings for the latter part of January, 1969. As the submissions received are discussed at some length in Chapter 5, they will not be considered here.

In the interim before the final round of hearings in January, 1969, numerous meetings were arranged by municipal representatives and others throughout the review area, to discuss the Preliminary Recommendations and to determine the stand which the various councils, organizations and individuals would each take in their submissions to the Review. Although many would undoubtedly have preferred a somewhat longer time for preparation, the constructive proposals contained in virtually all the submissions are evidence of the great deal of serious thought which went into them.

Upon completion of the January hearings, a further two weeks were allowed during which anyone who had made a submission could file a supplementary brief to elaborate on points raised during the hearings. A

full set of all the briefs received was also made available for public inspection at the Public Libraries in Gravenhurst, Bracebridge, Huntsville, Port Carling and Dorset, and at the Algonquin Regional Library in Parry Sound.

The Commissioner's public involvement in the review area terminated with the hearings as he retired to carry out further research on certain matters raised at the hearings, and to prepare the Final Report. Public debate in the review area has continued however, as reflected in the local press by reports of various meetings, and by numerous letters to the editor and editorial comments.

PROCEDURE AFTER THE FINAL REPORT

The presentation of the Final Report and Recommendations to the Minister of Municipal Affairs will mark the end of the formal review process, and the replacement of the dialogue between the Commissioner and the review area, with a new dialogue between the Minister and the review area. It is expected that shortly after receiving the Report, the Minister will make it public at a special presentation to the members of municipal councils in the review area, and that he will ask for their reaction to the Commissioner's proposals. If this reaction should be generally favourable, and if the Minister and his advisors should be satisfied with the recommendations, it would be possible to proceed fairly quickly to the drafting of legislation to implement the proposed changes. If, on the other hand, reaction in the review area or by the Province is not favourable,

the introduction of legislation will be delayed, possibly until an alternative set of proposals has been presented to the review area by the Minister.

In either event, the total process from the launching of the Review in May 1967 will have taken upwards of two years. The changes in local government which will ultimately result should last for decades however. Clearly, the changes cannot possibly please everyone, but if the Review procedure has brought about a greater consensus than would otherwise exist, it is felt that the time will have been well spent.

CHAPTER 3

RESEARCH FINDINGS

The research program has concentrated on identifying and measuring the prospects and problems facing Muskoka, and the capacity of present local government machinery for dealing with them. Much of this information was presented in detail in the Research Report, which should be referred to for more complete documentation. Additional research on several matters has been carried out since the publication of that report, resulting in either additional findings, or more firm conclusions than were drawn in the Research Report. Some of this material bearing on specific issues will be discussed in the later chapters devoted to those issues, rather than here.

Area

The review area comprises the Territorial District of Muskoka, extending over nearly 1600 square miles of the Canadian Shield. Located at the southern edge of the Shield due north of Toronto, and with hundreds of lakes covering about 15% of the area, cottagers and tourists were among the earliest pioneers attracted to the District. As the primary industries of lumbering and agriculture declined, tourism emerged in the 20th century as the mainstay of Muskoka's economy, but the beginning of large-scale manufacturing in recent years indicates the potential of a more diversified economic base.

Population

The growth of permanent population has been slow, showing an increase of only 12% between 1951 and 1966 while the province as a whole grew by 50% over the same period. This slow growth has been largely due to out-migration of young adults and their children, in search of better job opportunities or educational facilities. With the birth rate declining more rapidly than in the province as a whole, the prospect is for continued slow growth, with the 1966 population of 27,691 expected to increase only by about 15% to approximately 32,000 in 1990.

The seasonal population on the other hand, is both much larger and growing more rapidly, probably by about 2% per year. In 1966, the average seasonal population in the summer was estimated at about 91,000, of which 54,000 were cottagers. This gives a ratio of about 2 cottagers for every permanent resident. Looking to the future the cottage population is expected to increase to about 83,000 by 1990, with other tourist visitors bringing the average summer seasonal population to about 134,000. The future ratio of cottagers to permanent population is therefore expected to rise to about 2.6:1 over the next quarter century. With cottagers increasingly using their properties throughout the year, with the trend toward more year-round operation of resorts, and with many of the permanent residents accustomed to taking winter vacations out of the District, the line between permanent and seasonal population is becoming more and more blurred.

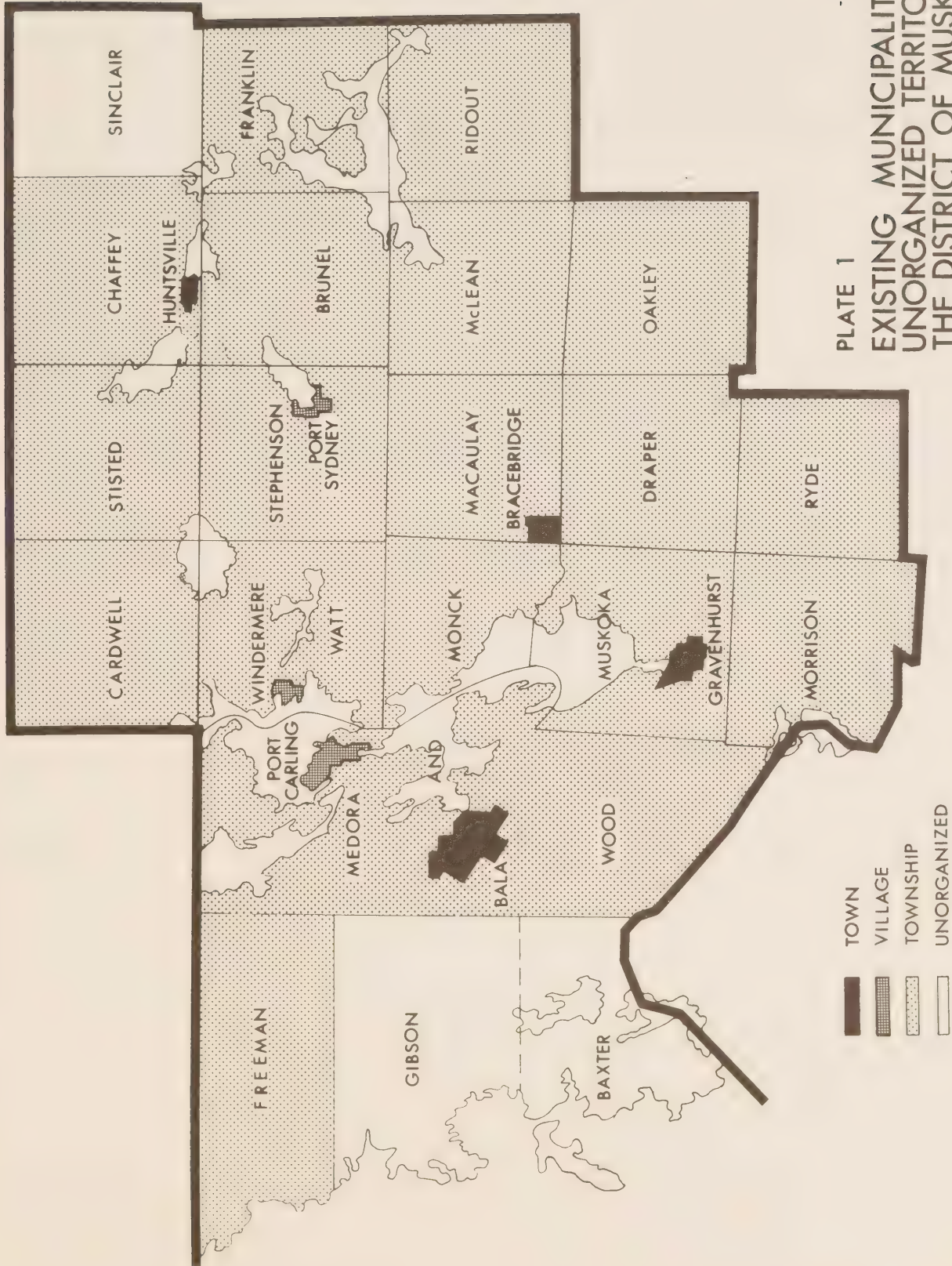


PLATE 1
EXISTING MUNICIPALITIES AND
UNORGANIZED TERRITORIES IN
THE DISTRICT OF MUSKOKA

Clearly, all who reside in Muskoka for any significant time during the year have a stake in its future, and this is particularly true of those who own property which provides the tax base for local government.

The distribution of population throughout the District differs between permanent and seasonal, the former being concentrated in the towns and villages and adjacent areas in a few of the townships, the latter being dispersed around the shores of most of the lakes. Muskoka is presently divided into four towns, 3 villages, 18 organized townships, and 3 unorganized townships, as shown on Plate 1. In terms of permanent population, only the three towns of Gravenhurst, Bracebridge and Huntsville, the adjacent organized townships of Chaffey, Muskoka, Monck and Brunel, the large organized township of Medora and Wood, and the unorganized township of Baxter, have populations exceeding 1,000 according to the 1966 Census. Eight of the remaining municipalities have populations between 500 and 1,000, two between 250 and 500, and no less than seven (including two of the villages) along with two of the unorganized townships have fewer than 250 permanent residents each. Future growth of permanent population is expected to occur mainly in the three larger towns and the adjacent townships of Chaffey, Brunel, Monck and Muskoka.

The cottage population is concentrated in the municipalities around the lakes, particularly Medora and Wood, Muskoka, Morrison, Franklin, Bala, Watt, Monck, McLean and Chaffey, and in the unorganized Baxter

and Gibson areas on Georgian Bay. Future cottage growth is expected to be mainly in Medora and Wood, Muskoka, Morrison, Watt, Franklin, Monck, McLean, Chaffey, Baxter and Gibson.

In terms of population characteristics, differences between the permanent and seasonal residents are also evident, the former having generally less education and lower incomes than the provincial average and the latter generally more. Per capita personal income of the permanent population in 1963 was only \$2,996 in the District compared to \$4,052 in the province as a whole, and 74% of income recipients in Muskoka received less than \$4,000 compared to only 58% in the province. These factors reflect the preponderance of service occupations associated with the tourist industry, and the seasonal nature of that industry.

The Economy

The seasonal nature of employment opportunities is indicated by the fact that only half of the 12,000 jobs in Muskoka in 1966 were year-round, the other half being seasonal.

Both agriculture and forestry have now declined to the point of little significance to the local economy, and as of 1966, only 7% of the land in the District remained in agricultural use, being devoted mainly to livestock.

Manufacturing employment, after declining in the 1950's, has been increasing in recent years, stimulated in part by government incentive

programs, and there is no doubt that with the continuation of government support there is a significant potential for future industrial development.

This can diversify and strengthen the economy, but it is considered both probable and desirable that the tourist industry remain the main focus of economic activity, preserving the area's irreplaceable natural assets for recreational use. This will require careful planning of a balanced program of economic growth, combining cottage development with the stimulation and upgrading of commercial tourist establishments, and the planned location of selected industries. Such a program coupled with improvements in Muskoka's school system, can increase the educational and job opportunities in the District and raise incomes, stemming the out-migration of young people. But no such program is likely to succeed unless the local government of the area is prepared to play a leading role in it. To efficiently plan, promote and service such growth will be difficult if municipal boundaries cut through the most suitable growth areas, requiring inter-municipal agreements at each stage of the growth process. The effective promotion of such economic development may also be difficult to achieve unless both the municipal resources and the benefits from the development are largely pooled.

The Present Structure of Local Government

The present structure of local government in Muskoka has undergone only few changes since the turn of the century. But growth and servicing problems in and adjacent to the three larger towns, and the recent

annexation proposal by the Town of Bracebridge, make it clear that some significant boundary changes of one kind or another will be unavoidable in the near future. Clearly, one of the aims of the Review must be to resolve such boundary issues for the foreseeable future.

The 25 organized municipalities in the District, with the exception of the three larger towns and the townships of Chaffey, Muskoka, Medora and Wood, Monck and Brunel, may be characterized as small municipalities with fewer than 1,000 permanent residents, in which the local council is close to the people in the grass-roots tradition. The municipalities of over 1,000 population are at or adjacent to the centres of urban growth, or in the case of Medora and Wood and the unorganized township of Baxter, are the areas of most significant cottage development.

The councils in the organized municipalities involve a total of 135 council seats, with well over 300 council meetings being held per year, an average of nearly one a day somewhere in the District. For this public service, the council members on the average receive a modest allowance of just over \$300 per year. Only 14 of the councils use committees to consider matters before they come before the whole council; in the remaining municipalities the details of all matters are considered by council as a whole.

There are more members (221) on local boards than on the

councils. The staffs serving under councils generally average between about 20 to 25 in the larger towns, and number 10 or less in the other municipalities, totalling about 200 in the District as a whole. Of these however, nearly half are part-time positions, there being an insufficient workload to justify full-time staff. Works and roads are generally the most important functions under the councils, accounting for about a third of all municipal staff and for half of the full-time staff. With the advent of District Assessment (now to be taken over by the Province), in most of the smaller municipalities there is now little or no staff beyond the clerk-treasurer, the road superintendent and operators, and volunteer fire fighters.

In the case of the local boards, relatively few staff members are employed aside from the utilities commissions. There are only 41 local boards and commissions in the District, mainly in the towns and villages.

Staff salaries, on the average, are low. In 1968, the 256 staff members (excluding volunteer fire fighters) serving under councils and local boards, were paid a total remuneration of only \$758,000, an average of less than \$3,000 each. In part, this reflects the large number of part-time employees, but average salaries are low for both the full-time and part-time positions. In most cases, it is clear that when present employees resign or retire, it will be impossible to replace them at present salary levels, and it must be concluded that in all the smaller municipalities salary levels are too low to attract and retain qualified and competent personal.

The large amount of duplication of both staffs and equipment, is probably the most notable characteristic of present municipal arrangements. With each municipal administrative role being duplicated 25 times, and many of the positions lacking sufficient workload for more than part-time operation, it is obvious that there is little opportunity to develop the efficiency that goes with specialization, division of labour and the use of the most efficient equipment. Indeed, aside from the few larger municipalities, the office equipment available is rudimentary, and many pieces of road and fire-fighting equipment are becoming too old to be kept servicable economically. Undoubtedly also, separate purchasing by 25 municipalities frequently fails to obtain the better prices and terms that could be available through bulk purchasing. And the same is probably true of contracts let by the municipalities. In short, the present division of the District into 25 municipalities virtually precludes any significant economies of scale in the operation of local government.

Only in the joint or district-wide operations of the Health Unit, Home for the Aged, and Children's Aid Society have such economies of scale been made possible, and in each of these the benefits of spreading the cost of trained and qualified personnel and adequate facilities and equipment, over a large area and tax base, are obvious.

The trouble is that it has only been possible to obtain these advantages by taking these important municipal functions largely out of

council control, and placing them under the control of appointed boards.

While it is true that the councils still have a part in selecting the appointees to these boards, they are too removed from the board operations to play any significant role in policy formulation or to properly understand the board's budget requirements.

The significance of these district-wide functions which are not under council control may best be illustrated by the fact that they employ over 100 full-time staff, almost as many as are employed full-time under the councils, and that these staffs have a higher proportion of trained and professional personnel, and consequently higher salaries, than is the case with municipal staffs. The result is that the salaries paid by the district-wide boards (taking the proportion of Health Unit salaries attributable to Muskoka) are now about equal to the total salary expenditures for all 25 municipal staffs in the District.

The situation is very similar to that with the new District Board of Education, except that education accounts for a much larger proportion of total local expenditure than do health and welfare, and except for the fact that the Board of Education is elected, not appointed. The fact that the Board of Education can require the levying of its tax requirements, while the other boards depend on councils agreeing to provide part of their budgets, is another significant difference.

Nevertheless, there is no doubt that with Education, Health, Child Welfare and the Home for the Aged removed from council control, a great deal of the autonomy of the councils has been effectively lost. And of the functions remaining with the councils, most now have inter-municipal or district-wide implications, and could be more efficiently and effectively performed over wider areas. Unless the institution of the municipal council is reorganized to operate more effectively on a larger scale, the transfer of further functions either to area-wide special purpose boards, or to the Province, may be expected to continue, simply in order to get the necessary jobs done properly. Planning, development control, and general welfare administration are probably the functions most likely to go next. The point is, that after a few more such transfers, the councils will be left with a form of local autonomy which has become largely meaningless, because most of the important decisions are being made either by District boards, or by the Province.

The issue is simple: if the institution of the municipal council cannot be adapted to operate on the minimum scale necessary for the effective and efficient provision of services under today's conditions, it will have its functions taken over one by one by other agencies which can.

The present structure of local government in all but the largest municipalities in the review area, may thus be characterized as small-scale, close to the people (but only a relatively small number of people

in each municipality), low-cost, providing a limited number of services, and in most cases providing services which fall short of desirable standards. This is what might be termed minimum government, if one looks at each municipality separately; but when the structures of all the municipalities are added together, the overall picture is one of a proliferation of small operations, involving a great deal of duplication, with no overall coordination of policies and standards, and with a minimum amount of inter-municipal cooperation. It is a structure singularly ill-suited to look at any problem from a district-wide point of view or indeed any point of view wider than the individual municipality; and it is also a structure largely lacking the ability to look ahead and plan for the future.

The Democratic Process

When the present councils are characterized as being "close to the people", this is generally less true of the cottage people than of the year-round people. For with the exception of the villages of Port Sydney and Windermere, which hold their municipal elections in the summer, the winter election dates make it difficult for most cottagers to vote in local elections. With the large proportion of municipal and school taxation borne by cottage owners in many of the municipalities, this situation is referred to by many cottagers as taxation without effective representation. As the ratio of cottage population to permanent population is already about 2 to 1, and is forecast to increase in the future, the cottagers' dissatisfaction

with present arrangements may be expected to grow, particularly in those municipalities where they are paying the major portion of the tax levy.

In the record of recent elections, there is also evidence that public interest in local government is not very strong, in spite of the fact that the present councils are supposed to be close to the people. At the last five municipal elections prior to 1968, no less than 37% of all the council seats in the District which might have been contested, were filled by acclamation. While in some cases this is undoubtedly a reflection of satisfaction with the incumbent member of council, it also suggests that local issues are often not challenging enough to call for competing candidates. Several municipalities have also experienced difficulty in obtaining enough candidates to fill all their elective positions in recent years, and a similar difficulty has been experienced in securing enough members to fill the appointive positions on local boards.

Again, of the qualified voters at the last election prior to 1968, where the position of head of council was contested, only 28% bothered to vote.

All this suggests that public interest in local government affairs is lagging at a time when many serious problems confront local government in the District. The fact that the existing municipalities are largely incapable of grappling effectively with the more pressing problems is very probably

at the root of this lagging interest. If the local councils can only deal effectively with the minor and purely local issues, interest in local elections is bound to decline.

Clearly, the only way to revitalize the local democratic process is to reorganize local self-government so that it is capable of dealing effectively with the real problems of Muskoka.

Local Government Functions

Clerk-Treasurer Functions

The total staff involved in all municipalities in performing these functions is 45, of which 20 are part time. In 12 of the municipalities the clerk-treasurer has no staff assistance, and 4 of these lone clerk-treasurers are engaged only on a part-time basis. Only in the three large towns and the Township of Medora and Wood is there sufficient staff to permit any degree of specialization and division of labour, or more than the most rudimentary office equipment. Only two of the clerk-treasurers in the District have taken the course sponsored by the Association of Municipal Clerks and Treasurers.

The administration of general welfare assistance is generally handled by the clerk-treasurer, and with the pressures of other work the required welfare investigations are frequently not carried out properly. Tax billing is still in many cases done by hand, and in others, with the

help of the less-sophisticated kind of billing equipment; significant savings would result if arrangements could be made to have the new District Assessor's Data Centre in North Bay prepare all tax bills for the municipalities in the District.

Planning and Development Control

Although municipal planning and development-control activity has been increasing, the pressures for development being felt throughout the District, along with the threat of pollution, make it clear that unless much stronger action is taken in the very near future, it may have to be concluded that effective planning came too little and too late to avert irreversible damage to the environment in Muskoka.

There are now eight independent planning boards and one joint planning board (covering four townships in the Lake of Bays area) in Muskoka. But among them, they cover not much more than one third of the total area in the District, and in addition the joint board has not been active. Perhaps of greater concern is the fact that in the towns and adjacent townships where urban growth pressures are creating an increasing number of inter-municipal problems and a growing need for effective joint planning, there are no joint boards.

Turning to planning activity, five of the boards have prepared Official Plans (for the three larger towns, Port Carling and Medora and Wood).

Zoning by-law coverage is more extensive; 14 municipalities either have or are preparing zoning by-laws covering part or all of their areas, but this still leaves 11 municipalities and the 3 unorganized territories without zoning coverage. In the case of subdivision control by-laws, 14 of the municipalities and 2 of the unorganized townships have none.

A fundamental planning research study has also been undertaken in Ryde Township for the Riley Lake area, to attempt to determine the capacity of the lake for supporting cottage development. This is an invaluable pioneering study and its findings will undoubtedly prove useful in other areas. But different conditions are likely to require the same kind of study to be undertaken for each of the main waters in the District in order to establish a firm basis for planning decisions regarding future cottage development.

All of the planning work which has been done so far has relied on consultants for professional advice as there is no professional planning staff employed by any of the municipalities in the District.

Provincial departments, particularly the Community Planning Branch of the Department of Municipal Affairs, The Department of Lands and Forests, and the Ontario Water Resources Commission, have brought a good deal of professional expertise to bear on various planning matters affecting the District, but there is an obvious need for an effective District

planning operation of professional calibre, fully familiar with Muskoka conditions, to undertake a comprehensive planning program for the District. Such a program, to be effective, should be based on intimate knowledge of local conditions, recognize the need for close integration of planning, development control, and pollution control, and be backed up by an authority capable of effective implementation.

Health, Water Supply, Sanitation and Waste Removal

The need to closely integrate planning, development control and pollution control activities into an effective program capable of preserving Muskoka's natural assets, is the most pressing need facing the District. At the present time, the planning and development control activities are seriously deficient as has been detailed above, and the pollution control activities are divided between the Health Unit and the Ontario Water Resources Commission.

The present arrangements are not sufficiently effective, for several reasons. New development is not planned in accordance with the capacity of lakes and streams to support it; municipal building and plumbing by-laws and inspection staffs are either non-existent, or of greatly varying standards, with the result that many new septic tanks and other waste disposal installations are not caught and referred to the Health Unit for inspection; the Health Unit inspections are necessarily concentrated mainly on new installations, and insufficient staff is available to mount an effective

program of reinspection of older installations to detect those which have ceased to function properly, although inspections are carried out when a malfunctioning installation is brought to the attention of the Health Unit.

For the larger sewage disposal installations, public and private, control and inspection are adequate, but the large capital cost of full-treatment facilities has led to the use of less-costly systems, which while sufficient for the time being, may not suffice in the long run. Soil pollution and ultimately water pollution through the use of insecticides and weed sprays is also a matter of growing concern, and effective control over the use of such sprays is required.

Thus, although significant strides in pollution control have been made in recent years, particularly by the O.W.R.C. and the Health Unit, the present total program still falls short of the desirable standard. The weak link in the chain is clearly the division of local government responsibility among 25 separate municipalities, so that there is no municipal authority capable of coordinating an overall pollution control program, and of developing an adequate inspection system to ensure that it is carried out.

Such a program will cost money, but this must be measured against the far greater cost to the District if pollution is not controlled. If even one of the major lakes in Muskoka were to become polluted, the economic loss in terms of property values, assessments, tax revenues and tourist

expenditures, would far outweigh the cost of an effective pollution control program.

It is not yet too late to reorganize local government so that it has the capability of undertaking such a program, but recent water-quality sampling in various parts of the District makes it all too clear that time may be running out.

Many in the District are properly concerned about the cost of operating a reorganized system of local government. The cost of not reorganizing local government is seldom mentioned, but is by far the more serious matter for consideration.

Education, Libraries and Recreation

The reorganization of education under the new District Board has the effect of pooling assessment throughout the District for school taxation purposes, so that the amount of assessment in an individual municipality is no longer of such great concern to the taxpayers of that municipality. The relationship of education to the other functions of local government has taken on added significance under the new arrangements however, and the need to coordinate the municipal and school programs in terms of planning of facilities and matters of finance, must be recognized when considering the reorganization of local government.

There is a growing need to make school facilities more available to the community at large for adult education and recreational programs. And in the municipal provision of libraries and recreational facilities, some aspects of both would benefit from a pooling of District resources. For example, none of the four libraries in the District is able to afford a trained librarian, but one such librarian could serve all four; similarly, certain parks, arenas and community halls, serving a wide area, might more logically be provided as a District facility.

Of overriding concern is the evident need to establish a system of financial planning and budgeting for the District, to coordinate municipal and educational spending. Because of the autonomy of the new Board of Education only a form of District or Regional government representing the municipal interests will be able to establish the kind of ongoing liason with the Board of Education that is required.

Welfare

Child welfare and the Home for the Aged are now operated by appointed District Boards, while general welfare assistance remains a function of the local municipalities, where the task generally falls on municipal clerks who lack the time and training necessary to perform the function adequately. This situation, coupled with the growing need in the welfare field for a greater emphasis on preventive programs dealing with

the family as a whole, indicates that general welfare assistance should also be made a District responsibility, and that the three fields of welfare should be more closely coordinated, not only with one another but also with the related function of health. Savings due to the sharing of office space, office equipment and clerical staff should be possible under proper arrangements, along with improved coordination of the respective programs.

If a District or Regional Government is created, it will have to be decided whether the special purpose boards for Child Welfare, the Home for the Aged, and the Health Unit should be retained in much their present form, or whether these functions should be brought more directly under the control of the Regional Council. Similarly, if general welfare assistance is made a District-wide function, it will have to be decided whether it should be administered by a separate board, or operated as a department under the Regional Council. The loss of effective autonomy of local government resulting from the establishment of special-purpose authorities to deal with particular functions has already been referred to, and the need to give a reorganized local government at least some voice in the administration of these functions is obvious if local government is again to become strong, responsible and responsive. There is a need however to continue to involve able and public-spirited citizens in the administration of these services, citizens who are not willing to run for elective office, but who will serve in appointive positions.

Transportation

Transportation is vital to Muskoka, and roads are the most important transportation facility in the District, although rail, air and water transportation are also important.

The local roads and the secondary Kings Highways in the District, although greatly improved during the postwar period, still leave much to be desired. A comprehensive road needs study will be necessary to determine the full requirements, but the condition of existing roads gives a basic indication of the backlog of need.

Of the roads under municipal jurisdiction in 1968, 83% of the mileage was not hard surface, and 12% was unsurfaced. 37% was not in good condition, being rated only fair to poor, or in need of complete reconstruction. And undoubtedly, a road needs study would indicate the need to build several new roads, in addition to this existing mileage.

The secondary Kings Highways in the District, although only involving about 100 miles or less than one-tenth of the local road mileage, also include a considerable proportion in unsatisfactory condition, reflecting the low priority which must be given to secondary highways as compared to the primary Kings Highway system, in provincial highway budgets.

Of the local roads, it is clear that several are performing a District function by serving an area wider than the municipality or municipalities

responsible for their construction and maintenance; it is considered unreasonable to expect the municipalities now responsible for them either to bear the costs alone, or to bring them up to the standard required for such roads.

There is thus an evident need for a District road system to take over the major arteries now under the jurisdiction of the local municipalities, and for local road departments capable of bringing the remaining municipal roads up to standard. The question of how best to bring the secondary highways up to a desirable minimum standard is also of concern.

In any event, it is clear that there is a significant backlog of needed road improvements which will have to be overcome if Muskoka is to remain competitive with the other tourist resort areas in the Province, which through County organization, have already established good road systems. Clearly, the present organization of local government in Muskoka is incapable of undertaking the necessary road improvement programs. And again, as with pollution control, the pertinent question is not how much it will cost to do the job, but what it will cost Muskoka in terms of lost tourist dollars and cottage development and in terms of car repairs and additional travel time to Muskoka residents, if the job is not done.

Police Protection

Police protection throughout most of the District is provided by the Ontario Provincial Police, with Gravenhurst, Bracebridge and Huntsville each having its own police department of 5 or 6 men. Employment of part-time or seasonal constables in several of the other municipalities has decreased since 1967 under a provincial program offering free policing by the O.P.P. to municipalities which agree to give up their one man police force and appoint a by-law enforcement officer instead.

Thus, by-law enforcement remains a local responsibility in all the municipalities, but the standard of enforcement varies considerably, and is frequently unsatisfactory.

The local police forces in the three towns have an advantage over O.P.P. protection in that they are each able to concentrate on a relatively small area. Studies in other countries and by the Ontario Police Commission however, have indicated that small local police forces are increasingly at a disadvantage in the fight against organized crime, partly because of their limited areas of jurisdiction, partly because of the growing difficulty they face in acquiring and retaining trained police officers, and partly because of their inability to afford much specialization in the assignment of staff duties or in the way of equipment.

The merging of two or perhaps all three of the local forces would overcome these disadvantages to some extent, but with the O.P.P. already maintaining detachments at Bracebridge, Huntsville and Bala, a District role in policing hardly seems warranted, and it might make more sense to consider requesting that the O.P.P. assume responsibility for policing the entire District, except for by-law enforcement.

At the time the Research Report was prepared the Ontario Police Commission had been pursuing for some time the policy of having the O.P.P. take over policing in municipalities with one-man police forces, without charge to the municipality, and it was indicated that the Commission was interested in extending this policy to the two-man and perhaps three-man forces, and possibly to those employing four and five constables, where conditions preclude achieving a larger local force through merger of adjacent municipalities. Since then however application of this policy has evidently had to be curtailed for budgetary reasons, although it seems safe to assume that it remains the long-term goal of the Ontario Police Commission.

Fire Protection

Fire protection in Muskoka is provided by fourteen municipalities which have fire departments (one of them a joint department with a

neighbouring municipality in Haliburton), and a number of inter-municipal agreements which extend the coverage of these departments into some of the adjacent municipalities lacking departments of their own. All the departments rely on volunteer fire fighters, there being a total of about 300 of these on call to the various departments throughout the District. In addition, two more municipalities have had fire protection surveys carried out by Ontario Fire Marshall's Office, preparatory to determining if they will establish departments of their own.

There is also a Mutual Fire Aid System for mustering aid from other fire departments quickly in the event of an emergency. Only eleven of the Muskoka Departments participate in this system however, along with three in the District of Parry Sound.

In addition to these municipal fire-fighting arrangements there is also the Ontario Fire College located at Gravenhurst which participates in the Mutual Aid System, and the extensive fire-fighting capability of the Department of Lands and Forests for combating forest and bush fires. In the unorganized territories, local volunteer fire-fighting arrangements have also been established on an informal basis by interested property owners at a few locations.

It is clear however that eleven of the organized municipalities along with the three unorganized townships, do not have a municipal fire department,

and that fourteen of the organized municipalities including three with fire departments, do not participate in the Mutual Aid System. Although inter-municipal fire agreements cover parts of the large area without protection of its own, it is evident that close to half the area in the District, including much cottage development, is without municipal fire protection service.

In addition, the equipment available is less than adequate in several cases, and the training of volunteer firefighters, fire prevention programs, and public information programs about what to do in case of fire, vary considerably in the standards achieved among the existing fire departments.

Finance

Although the permanent population of the District increased by only 3.7% over the 1961-66 period, gross expenditures on municipal services excluding education showed an increase of 57% over the same period. This growth in expenditures was not accompanied by a comparable rise in the rate of municipal taxation however, because provincial grants for municipal purposes increased by 70% so that net municipal expenditures rose by only 52%, while equalized taxable assessment in the District grew by 31%. As a result, the average increase in municipal taxation per \$1000 of assessment across the District was held to 12% over the period. Including school taxation, which was held to an even lower rate of increase by rising provincial grants, the combined tax load for

municipal and education purposes in Muskoka, per thousand dollars of equalized taxable assessment, increased by only 9%.

Growth in assessment, due mainly to cottage and industrial-commercial development, coupled with a significant increase in provincial assistance, thus permitted a considerable rise in municipal expenditures with only a very nominal rise in local tax levels.

Both assessment and expenditures are distributed very unevenly among the area municipalities however, and both gross and net municipal expenditures per thousand dollars of equalized taxable assessment show a wide variation, reflecting the fact that the municipalities with the higher assessments are in many cases not the ones with the higher expenditures. In the case of some services, different standards in different parts of the District are of course justifiable, and it is appropriate that areas which only need a lower standard of service be taxed accordingly. But it is still clear that the burdens of providing municipal services are not equitably distributed among the municipalities with regard to their ability to pay, except for the District-wide services for which assessment throughout the District is pooled; and even in these cases, the load may not be equitably distributed, insofar as the equalization factors may leave something to be desired. In time, the new District Assessment operation, now being taken over by the Province,

will produce an equitable reassessment of all properties throughout the District, overcoming the latter problem. But the inequitable distribution of needs and resources among the municipalities will remain unless both are pooled over larger areas.

With the advent of the new District Board of Education, assessment throughout the District is now pooled for Education, Health, and the Home for the Aged, which account for a major part of the local tax dollar. Inequality of needs and resources with regard to the remaining functions of local government is therefore of less importance than it used to be. Nevertheless, further pooling of tax burdens and resources, either by transferring additional functions to the District level, or by creating larger local municipalities, or both, would provide a more equitable, and hence a sounder basis for future local government.

The tax base of the District as a whole is impressive and has shown significant growth in recent years. The 1968 taxable assessment equalized to market value totals \$328,265,150 in the organized municipalities of the District. The comparable 1965 assessment for 1966 taxes was \$237,712,865, giving an increase of 38% over the 3 year period. Because the equalization factors relate to market value, this increase in part reflects rising sale prices for Muskoka properties, rather than assessments added to the roll. The gain in taxable assessment

not equalized gives an indication of growth due to new development, omitting the price-inflation factor; the unequalized figures show a comparable increase of 21% over the past 3 years. Over the last year, a gain of over \$5 million in unequalized taxable assessment was recorded, representing an increase of over \$18 million when equalized to market value. The latter figure is only about half the average annual increase in equalized taxable assessment over the two preceding years, indicating a slowdown in the rate of price inflation affecting the equalization factors, but it still represents an increase of nearly 6% over the last year.

The above figures are for the organized municipalities in the District only, and they do not include the assessment equivalent for those exempt properties in the District on which grants in lieu of taxes are paid to the municipalities. The latter figure is not yet available on a 1968 for 1969 taxation basis, but the assessment equivalent in the previous year amounted to \$4,878,881; adding this to the 1968 equalized taxable assessment gives a total of \$333,144,031.

With regard to the unorganized territories, where the assessment function has been carried out by the Department of Lands and Forests, published figures are not available. The Review therefore obtained special print-outs from the Department records, and used these along with an

estimated equalization factor, to develop a rough estimate of the 1968 equalized taxable assessment in the unorganized parts of the District. No business assessment data was available for these areas, so that it is only the land and building assessments which have been equalized; however, the rough equalization factor is based only on judgement, and in the light of this it was not felt that adding an estimate of business assessment would necessarily improve the reliability of the equalized totals. The resulting assessment estimates are as follows:

Baxter	\$ 20,096,527
Gibson	7,605,100
Sinclair	<u>3,005,409</u>
	<u>\$ 30,707,036</u>

Adding this to the assessment and assessment equivalent in the organized municipalities, gives a grand total for the District of \$363,851,067.

To place Muskoka's tax base in proper perspective, the 1967 equalized taxable assessment for the District as used for 1968 taxation, with the above-noted estimate added for the unorganized territories in the District - a total of approximately \$340,000,000 - is shown in Table 1 with comparable figures for the cities in Ontario, calculated by using the provincial equalization factors in all cases. Such a comparison shows that of the 32 cities in the province (outside of Metropolitan Toronto), only

TABLE 1. COMPARISON OF THE TAX BASE IN MUSKOKA
AND IN ONTARIO'S CITIES*

	Taxable Assessment made in 1967 for 1968 Taxation, Equalized to Market Value using the 1968 Provincial Equalization Factors.	1967 Assessed Population
	\$	
Hamilton	2,228,089,655	288,993
Ottawa	2,046,555,882	289,414
London	1,220,011,429	196,420
Windsor	912,229,310	191,762
Kitchener	785,921,429	94,956
Oshawa	674,686,957	79,769
St. Catharines	666,660,000	98,059
Sault Ste. Marie	484,723,529	74,791
Niagara Falls	449,994,828	55,994
Sudbury	399,083,333	84,361
Brantford	378,166,667	59,150
Kingston	377,158,333	54,665
Peterborough	354,465,517	54,454
MUSKOKA**	340,615,992	26,903
Guelph	335,671,264	51,873
Fort William	309,012,500	48,203
Sarnia	304,638,095	55,393
Port Arthur	300,936,667	46,718
Welland	279,874,074	39,493
Waterloo	275,410,714	31,296
North Bay	241,180,769	43,716
Galt	231,479,167	33,908
Cornwall	218,935,484	44,744
Chatham	200,663,333	31,374
Belleville	172,798,438	32,627
Barrie	163,852,381	24,993
Woodstock	162,988,000	24,323
Brockville	147,323,529	19,477
Stratford	141,513,636	23,050
Port Colborne	124,450,000	18,013
St. Thomas	112,463,889	23,038
Owen Sound	100,747,945	18,120
Vanier (Eastview)	92,130,303	24,130

* Outside of Metropolitan Toronto.

** Includes estimated assessment of \$30,707,036 and population of 1516 in unorganized territory within the District.

13 have a larger equalized taxable assessment than Muskoka. The tax base in the District is similar to that found in the Cities of Sudbury, Brantford, Kingston, Peterborough, Guelph, Fort William, Sarnia or Port Arthur, all of which have permanent populations nearly or more than double that of Muskoka. This comparison of course omits the assessment equivalent properties on which grants in lieu of taxes are paid, as information on these is not readily available for the Cities; if such data were included, it might have some affect on the comparison.

On the other hand, Muskoka has not been assessed throughout by a single assessment department, as have each of the Cities, and from the experience in other Districts it seems likely that some and perhaps considerable assessment which should have been on the rolls but was not will be added as the District-wide reassessment in Muskoka proceeds.

In any event, Muskoka's tax base is already very large, and is expanding at a significant rate. Moreover, although the ratio of assessment is about 77% residential and farm, and only 13% commercial and industrial, with 10% other, a very high proportion of the residential and farm category is cottage assessment, which like commercial and industrial assessment, produces no school load, and a lesser demand for various other municipal services, particularly during the fall, winter and spring. Thus, in certain respects, cottage assessment is advantageous to a municipality in much the same way as is commercial-

industrial assessment. Looked at in this way, it must be concluded that the quality of the tax base in Muskoka is also high.

Two significant restrictions must be noted however. First is the fact that cottagers, unlike industries, are not able to "pass on" the local taxes by adding them to the price of a product; and while the average income of Muskoka cottagers is above the average income level in the Province, there are undoubtedly many cottagers who could not bear too heavy a tax load on their seasonal home along with the taxes on their permanent residence.

The second is the fact, noted before, that the average income of permanent residents of Muskoka is below the provincial average, and undoubtedly in many cases, permanent residents would be unable to bear any great increase in the level of municipal taxation. This merely points up the oft-noted regressive nature of the property tax; it also suggests that with the Province's announced intention of replacing the basic shelter exemption grant with higher grants for education and other purposes, some other device should be sought which, like the basic shelter exemption, would reduce the regressiveness of the property tax.

Thus, although it is evident that the District has a tax base greater than that of the majority of the cities in the province, it is a tax base that by its nature, involves more restrictive limits on the ability

and willingness of the property owners to be taxed.

There is no doubt however, that many Muskoka properties have been bearing significantly lower municipal taxes than comparable properties elsewhere in the District, and that their owners could readily afford a somewhat higher level of taxation. For example, cottagers in some parts of the District are paying municipal taxes of only \$25 to \$50 per year, and could clearly afford to pay somewhat more if they received better services. Thus, much of the additional revenue required to upgrade municipal services could be obtained by raising the tax level in those areas in which it is now abnormally low, provided those asked to pay the higher rates could see an improvement in the standards of service. Beyond this, the significant annual increase in taxable assessment which the District may anticipate, can support a comparable annual increase in expenditures on municipal services, without any increase in the mill rate.

This is not to imply that Muskoka should attempt to provide the full range of urban-type services which cities with a comparable tax base provide to their taxpayers. It does establish however, that Muskoka can afford to bring the present low standard of many municipal services in the District at least up to a minimum level of acceptability. Indeed, it is all too obvious that if this is not done, the more than a third of a billion dollars invested in Muskoka properties will be

threatened with serious depreciation due to the default of local government in taking the obvious steps required to protect that investment.

The ratios of taxable assessment per capita of permanent population are very high in many of the Muskoka municipalities, due primarily to cottage assessment. In many of these municipalities, the policy has been to keep taxes low, for the benefit of cottagers and permanent residents alike, and to take advantage of the cottage assessment in making a low tax rate suffice to support the limited municipal services provided. But cottages, like industries, require certain services and a certain environment if they are to fulfill their purpose and retain their value. And unless that value is protected by effective local government programs, the future of cottaging in Muskoka, and of the District's commercial tourist enterprises, does not look bright. The average tax levy in Muskoka for municipal purposes (exclusive of education) was only about \$25 per \$1000 of equalized taxable assessment in 1961, and had only increased about \$3 by 1966. But holding taxation to this level has meant that Muskoka has lagged behind many other parts of the province in the general improvement in the standard of municipal services which has been taking place.

Raising the standard of municipal services is of course just a part of the rise in the standard of living as a whole. As expenditures through the market place on private goods and services have greatly

increased, there has been a growing recognition of the need for a balanced relationship between such private consumption on the one hand, and proper provision of the necessary public facilities and services on the other. A motor car of advanced design on a bad road, or an expensive cottage or tourist resort on a lake threatened with pollution represent a highly irrational allocation of total resources. The research findings strongly suggest that the present system of local government is incapable of righting the balance.

Municipal expenditures cannot be viewed in isolation therefore, but should be seen as but a part of the total expenditures made by consumers. For public facilities and services are really just those which experience has shown can be better provided by collective action of the public, than by private enterprise in the market place. In organizing local government for such collective action, it is essential that it be made both responsive and responsible to those who will benefit from and pay for its services. Such a structure will not resolve the central issue of all public finance: how to determine the right balance between standards and costs, meet the standards efficiently, and allocate the costs fairly. But a form of local government that gives proper representation to all those it serves and is organized on a scale large enough to effectively pool resources and operate with efficiency, can help ensure that sound decisions will be made and effectively carried out

with both the benefits and costs distributed equitably.

Conclusion

The research findings taken together make a strong case for change. Present local government arrangements in Muskoka cannot cope with many current needs, and the situation will undoubtedly grow worse in future unless reorganization is carried out.

The main issues to be decided, and the public attitudes concerning them expressed in submissions to the Review, will be considered in the next chapter.

CHAPTER 4PUBLIC OPINION

In the light of the research findings available at the time, the Preliminary Recommendations Report was published in October 1968, presenting a set of tentative recommendations for the improvement of local government in Muskoka. As the submissions made to the Review and the accompanying discussions at the public hearings focused largely on the issues raised by these Preliminary Recommendations, they are reprinted for easy reference as Appendix B at the end of this report.

The Preliminary Recommendations took a stand on the important issues to be decided in determining a new system of local government for Muskoka, and all those concerned were invited to react to the proposals in their submissions to the public hearings of the Review.

The main issues raised were:

The form of government - whether one tier, two tier or three tiers;

The area of jurisdiction - the outer boundaries of the Region;

The number and shape of lower-tier municipalities if there is more than one tier;

The method of election to the upper-tier or Regional Council - direct or indirect;

The method of selecting the Regional Chairman - for the first Chairman, and for subsequent Chairmen;

The term of office for elected representatives;

Election arrangements - nomination and election dates, possible adoption of postal balloting, the question of the extended franchise;

The weight to be given to cottage population in determining representation;

The division of powers between the upper and lower tiers;

The relationship of existing district-wide boards to the new regional government; and whether urban and rural areas should be united or separated by the pattern of lower-tier municipalities.

Another question was also implicit: whether the major changes should all be made at once, or some or all of them delayed so as to phase them in more gradually.

Public Submissions

All told, 81 submissions were received by the Review, but this includes 5 supplementary submissions from organizations and individuals who had previously made their main presentations at the hearings, and 4 submissions heard in November from municipalities and associations which made further submissions at the January hearings. Exclusive of these, there were 72 submissions, 49 of them from Muskoka and 23 from areas adjacent to Muskoka. A list of the submissions is given as Appendix C at the end of the report.

Because several were joint submissions, the 49 from within

the District actually presented the views of 24 of the 25 organized municipalities, 4 boards, 21 associations, 1 firm, and 16 individuals, for a total of 66. Only 2 of the submissions from beyond Muskoka were joint, giving a total of 25 views from outside the District.

The opinions expressed in these submissions are summarized in Tables 2 and 3. They are discussed below with regard to each of the main issues with which the Review is concerned.

As would be expected, many of the submissions expressed no opinion on one or more of these issues, and in the case of most submissions from those with a specialized interest, no opinions were expressed on the major issues, the briefs dealing only with the special area of concern. Nevertheless, sufficient opinion was received on all the issues to give a comprehensive picture of public attitudes toward the restructuring of local government in the review area.

Since the conclusion of the public hearings, there have been further expressions of public opinion in the form of letters to the editor published in the local newspapers, public meetings in various parts of the District, and the circulation of petitions. Although this subsequent activity will undoubtedly have some bearing on local reaction to the final recommendations made in this report, it does not appear to have raised any additional issues beyond those already thoroughly dealt with in the

many formal submissions made to the Review.

Analysis of the submissions with reference to Tables 2 and 3, follows.

Form of Government

Twenty-six of the submissions received, representing the views of twenty-four of the twenty-five municipalities in Muskoka, 15 associations, and 9 individuals, expressed opinions on this matter. In every case, a significant change in the structure of local government was requested, and in 25 of the 26 submissions, the proposal was for the addition of an upper tier or regional level of government, to create a two-tiered system. The remaining submission, from an individual, proposed the creation of a single municipality to govern the whole District. None of the submissions favoured a three-tier system such as had been suggested as an alternative in the Preliminary Recommendations.

Thus 24 municipal councils and 15 associations, including the major cottage associations in Muskoka, were unanimous in proposing that a two-tiered system of regional government be established. Moreover, none of the submissions, aside from the one proposing a single municipality for the entire District, expressed any reservations about the need to establish an upper-tier government. It must be concluded that public opinion as expressed to the Review, is overwhelmingly in favour of

creating an upper tier or regional level of government for Muskoka.

Outer Boundaries

On the question of the area of jurisdiction for a new regional government, opinion was not nearly so conclusive, although with only one exception - an individual submission from Baxter - no one within Muskoka urged that any part of the present District be left out of the new Region.

Concerning the preliminary recommendation that Baxter and Gibson be transferred to Simcoe County, and the western part of Freeman transferred to Parry Sound, opinion from within these townships, with the lone exception mentioned above, was solidly in favour of keeping these areas in Muskoka; and many of the submissions from other parts of the District also supported this view.

With regard to the preliminary recommendation that part or all of Humphry Township, including the Village of Rousseau and part of Conger Township, be brought into Muskoka, several of the submissions from within Muskoka voiced support for such a change and in the case of the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, and the Monck Township council, this support was very strong. On the other hand, opinion from the District of Parry Sound was solidly against such a change, as indicated in Table 3. Moreover, most of the submissions from Parry Sound urged that the West Parry Sound School District be kept intact under

new regional government arrangements; this would require the transfer of Freeman from Muskoka to Parry Sound, unless a single Muskoka-Parry Sound region were to be established. Several of the submissions made the point that District boundary changes affecting Parry Sound should not be made until a review-type study has been carried out there to determine appropriate regional government arrangements for Parry Sound; only if such a study showed boundary changes to be desirable, should they be considered.

Concerning the preliminary recommendation that the west half of Finlayson Township, lying between Muskoka and Algonquin Park, should be included in Muskoka, several of the Muskoka submissions favoured such a change, and no opposing briefs were received.

But regarding the preliminary recommendation that more or less of the united Township of Sherborne, McClintock and Livingstone be brought into Muskoka, solid opposition was expressed in all the submissions from the Haliburton area, as indicated in Table 3. The Ridout Township council and the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations strongly supported this change however, and several of the other Muskoka submissions were also in favour of it. Again, some of the Haliburton submissions stressed that no such boundary change should be made until a study to determine possible regional government arrangements for the Haliburton area has been carried out.

In the course of the public hearings, certain other changes in the outer boundary, beyond those mentioned in the Preliminary Recommendations, were also proposed. The Oakley Township Council urged that the Township of Longford, part of the Municipality of Longford, Digby and Laxton in the County of Victoria, be brought into Muskoka, and this proposal was also made in the submissions from Gravenhurst, the Muskoka-Lakes-Lake of Bays-Peninsula Lake Associations, the Muskoka Law Association, and in two of the submissions from individuals.

An even greater extension of the outer boundaries was proposed in two of the briefs. The Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, in addition to supporting the changes already noted, proposed the inclusion of McMurrich, Perry, Bethune and parts of Monteith and McCraney Townships to the north, and Hindon and parts of Havelock and Anson Townships to the east and south, for the purpose of watershed planning control. The Muskoka Township Council, without proposing specific boundaries, went considerably farther, noting that:

"The District of Muskoka falls far short of the hoped for population of a region as seen by the Ontario Committee on Taxation, the Select Committee of the Legislature, or the Minister of Municipal Affairs.

"Definition of precise boundaries for a regional government of which the District of Muskoka would form part is beyond the capacity of our municipality. For one thing it needs to be related to regional government expectations throughout a broad surrounding territory. The most we can say with

conviction is 1) that the whole of the District of Muskoka ought, as we see it, to lie within a single region, and 2) that enlargement to the northwest, north and east would afford the most natural and attractive areas for the expansion needed to achieve a more adequate population base for regional government. Expansion in these directions would come closest to conforming with present ad hoc service arrangements and would facilitate the re-establishment of such services under the direct control of council.

"While we are unable to propose the precise boundary for regional government, it is our hope that the Review may be able to do so. We are concerned, in any event, that the Review Report should serve to emphasize that the District of Muskoka is not large enough to constitute a regional unit of government on its own."

Finally, it should also be noted that in expressing their opposition to the transfer of Baxter Township to Simcoe County, the Gloucester Pool Cottagers' Association indicated it would support bringing the cottage area along the south shore of the Severn River into Muskoka; and the Six Mile Lake Cottagers' Association suggested that consideration be given to the transfer of Matchedash Township from Simcoe County to Muskoka.

Thus the various opinions expressed indicate that many do not regard the present District of Muskoka as an ideal area of jurisdiction for the new regional government; but the submissions also indicate strong opposition from adjacent areas to extension of the Muskoka boundaries, unless it can be shown that such changes would fit in with suitable regional government arrangements for these adjacent areas.

Number and Shape of Lower-Tier Municipalities

Of the submissions which expressed an opinion on this issue, the majority from municipal councils and from individuals, and all those from associations, favour fewer and larger municipalities at the lower tier.

Twenty-four of the 25 municipal councils expressed opinions on this matter.

Strongly Favouring Larger Municipalities

Seven of the municipal councils - of Bracebridge, Gravenhurst, Huntsville, Medora and Wood, Muskoka, Monck and Ryde - were very strongly in favour of fewer and larger lower-tier municipalities. These seven municipalities contain approximately 57% of the permanent population and 45% of the cottage population in all the municipalities whose councils expressed an opinion on the issue.

Accepting Larger Municipalities

Another 5 municipal councils - of Bala, Port Carling, Draper, Freeman and Macaulay - accepted the need for fewer and larger lower-tier municipalities. These five account for approximately 14% of the permanent population and 14% of the cottage population in the 24 municipalities expressing an opinion.

Thus the councils of 12 of the municipalities, containing approximately 71% of the permanent population and 59% of the cottage population

in the 24 municipalities, either strongly favour or approve of fewer and larger lower-tier municipalities.

A Special Category

The next category comprises two municipalities - Windermere and Ridout - which were shown as co-signators of the joint brief from Port Sydney, Brunel, Cardwell, Chaffey, Franklin, McLean, Stephenson, Stisted and Watt. But Windermere subsequently wrote the Commissioner noting that this had not been authorized by Windermere Council, and requesting that Windermere not be included as supporting the joint brief. Windermere's initial brief favoured the retention of all present local municipalities for the lower tier in a two-tiered system; but a supplementary brief reluctantly accepted that "existing local governments are on the way out", and urged extension of the Windermere area to make it large enough to constitute a ward in a larger area municipality, centred on the Muskoka Lakes. Ridout on the other hand has not withdrawn its support of the joint brief; but the separate Ridout submission strongly urges merging of Ridout and the present Townships of Sherborne, McClintock and Livingstone, and possibly Franklin, to form a very large area municipality. As this is the antithesis of the position of the joint brief that present municipalities should not be merged to create large area municipalities, Ridout like Windermere must be considered in a special category. These two municipalities contain just over 1% of the permanent

population and approximately 5% of the cottage population in the 24 municipalities voicing opinions.

Strongly Opposing Larger Municipalities

The remaining 10 municipalities comprise the 9 listed above which participated in the joint brief, and the Township of Oakley. These 10 municipalities strongly support the retention of all 25 existing municipalities at the lower tier. Separate submissions which were also received from Brunel, Franklin and Watt suggested however that after such a two-tiered system had been in operation for some time, consideration might be given by the Regional Council to forming fewer and larger lower-tier units, with the consent of the municipalities involved; and a separate submission from Cardwell indicated that in the event larger area municipalities are established, Cardwell would prefer to join Watt, Windermere, Port Carling, Bala, most of Medora and perhaps part of Freeman, rather than merge with other municipalities to the east.

These 10 municipalities contain approximately 27% of the permanent population and 35% of the cottage population in the 24 municipalities.

Thus a significant number - though not a majority - of the municipal councils in the District, are opposed to the creation of fewer and larger lower-tier municipalities, at least for the initial phase of

operation of a new system of government. But the municipalities whose councils expressed this view do not contain much over a quarter of the permanent population and a third of the cottage population found in all the municipalities whose councils have taken a stand on this issue.

It cannot be concluded of course, that the opinions expressed by a municipal council necessarily reflect the opinions of the large majority of citizens in that municipality, although in the relatively small present municipalities it is felt that council members, being close to the electorate, should generally reflect majority opinion in their municipalities.

A striking contrast is evident however, between the submission from the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, and the joint submission from the municipal councils of Franklin, McLean, Brunel, Chaffey, Watt, Cardwell, et al, in which municipalities many of the cottagers who are members of these associations reside. For the three cottager associations have come out very strongly in support of only three large area municipalities for the whole District, a position in very sharp contrast with that taken by the municipal councils concerned that all the present municipalities should be retained. It would thus appear that the position taken by these councils, while it may be representative of the opinions of the majority of their permanent residents, does not represent the majority opinion of their cottage populations.

On this basis, if the view that all 25 existing municipalities should be retained is taken as representative of the opinions of the majority of permanent but not cottage residents in the municipalities whose councils hold this view, and the permanent population in these municipalities is taken as a percentage of the combined permanent and cottage populations in all 24 municipalities reporting, the resulting proportion is only about 10%. Clearly, this over-simplifies the situation; not all the permanent population in any municipality will hold the same views put forward by that municipal council, nor will all the cottagers hold the views put forth by the major cottage associations.

But the respective briefs do present the considered opinions of responsible elected officials of the municipalities and cottager associations involved. And the submissions clearly indicate that those representing the interests of the great majority of the permanent and cottage residents of the District combined, are in favour of fewer and larger lower-tier municipalities. Those opposing this view form a strong minority however, and there is no doubt that this is the most controversial issue facing the Review.

Inner Boundaries

In the case of those supporting the retention of all present municipalities, no question of inner boundaries arises. But for those in favour of fewer and larger lower-tier municipalities, the drawing of a

TABLE 2. SUMMARY OF SUBMISSIONS FROM THE MUSKOKA AREA

TABLE 3. SUMMARY OF SUBMISSIONS FROM AREAS
ADJACENT TO MUSKOKA.

From Parry Sound District: 10 submissions

Opposing the transfer of all or part of Humphry, Rosseau
or Conger to Muskoka:

Humphry Township Council and Planning Board
Rosseau Village Council **
Carling Township Council *
Christie Township Council *
McKellar Township Council *
Parry Sound Town Council
West Parry Sound Board of Education
District of Parry Sound Municipal Association
Parry Sound District General Hospital *

(Note: most of these submissions urged that the West
Parry Sound School District be left intact under regional
government arrangements. This would require transfer
of Freeman from Muskoka to Parry Sound, unless a single
Muskoka-Parry Sound region were established)

Proposing a Georgian Bay Region extending from Honey Harbour
to the French River, with an easterly boundary ten miles inland
from the Georgian Bay coastline, and extending twenty miles west
of the shore to include islands; to be divided at Twelve Mile Bay
into two area municipalities, with a single Regional Council:

Sans Souci and Copperhead Association

From the Haliburton Area: 13 submissions

Opposing the transfer of all or part of Sherborne, McClintock
and Livingstone to Muskoka:

Sherborne, McClintock and Livingstone Municipal Council
Council of the Provisional County of Haliburton
Lutterworth Township Council *
Cardiff Township Council *
Bicroft Improvement District Board of Trustees *
Haliburton Highlands Chamber of Commerce *
Mr. R. G. Hodgson, M. P. P. *
Mr. N. McNeill, Librarian, Haliburton County Public
Library System *
Mrs. W. G. Horn *
Messrs. L. C. Roberts and M. Fearrey *
Mr. C. P. Rogers *
Mrs. D. Suter *
Mrs. M. Tallman *

* Written submission only

** Oral submission only

new set of boundaries within the District is a difficult task.

Of the submissions proposing fewer lower-tier municipalities, those from Draper, Freeman, Macaulay, the Muskoka Law Association, the Gibson-Baxter Committee, the Go Home Bay Community, the Six Mile Lake Cottagers' Association, Dr. W.H. Bennett, and Mr. R.C. Melhuish made general or specific reference to one or other of the alternative area municipality schemes presented in the Preliminary Recommendations Report; the number of municipalities in these schemes ranged from 7 to 9. The other submissions all differed significantly from any shown in the Preliminary Recommendations Report.

Bracebridge proposed an area municipality centered on Bracebridge, another on Gravenhurst, a third on Huntsville, and four others centered around the major lakes in the balance of the District.

Gravenhurst proposed only four area municipalities, one in the south comprising Gravenhurst and all of the Townships of Muskoka, Draper, Oakley, Morrison, Ryde, and Longford; one in the northeast comprising Huntsville, Chaffey, Sinclair, Brunel, Franklin, McLean, Ridout, the west part of Finlayson, and Sherborne, McClintock, Livingstone and Havelock; one in the north comprising Bracebridge, Monck, Macaulay, Watt, Windermere, Stephenson, Port Sydney, Cardwell and Stisted; and one in the west including Medora & Wood, Bala, Port Carling, Baxter, Gibson,

Freeman, and Humphry, Rosseau and Conger.

Huntsville proposed six area municipalities, one centered on each of the Towns of Huntsville, Bracebridge and Gravenhurst - similar to the Bracebridge proposal - and three more vacationland areas centered around the major lakes comprising the balance of the District. The Bracebridge and Huntsville proposals were thus similar, except for the number of municipalities considered necessary in the lake areas; Bracebridge and Huntsville were also in agreement with regard to the proposed boundary between the two area municipalities centered on Bracebridge and Huntsville: this boundary was seen as running between Concessions 3 and 4 in the Township of Stephenson.

The Muskoka Township proposal was essentially similar to that of Gravenhurst, except that specific reference was not made to the inclusion of Longford, Oakley, and Draper, whereas a portion of the southern part of Wood Township immediately adjacent to the Township of Muskoka was mentioned for possible inclusion in the area municipality centered on Gravenhurst.

There was a notable lack of agreement however between the Bracebridge proposal on the one hand, and the Gravenhurst and Muskoka Township proposals on the other, with regard to the boundary between these two respective area municipalities. Both the Gravenhurst and Muskoka

Township proposals urged that all of Muskoka Township (and in the Gravenhurst submission all of Draper as well) be in the Gravenhurst-centered area municipality, whereas Bracebridge proposed a boundary cutting through the Township of Muskoka in the vicinity of the airport and proceeding easterly through Draper following the south branch of the Muskoka River.

Bala and Port Carling both proposed six area municipalities for the lower tier: an upper Muskoka Lakes area comprising Watt, Cardwell, Windermere, Port Carling, and part of Medora; a lower Muskoka Lakes area comprising the remainder of Medora, all but the southeast part of Wood, Bala and the Baxter-Gibson area; a Lake of Bays area; a Gravenhurst area; a Bracebridge area; and a Huntsville area. This scheme is in essential agreement with the Bracebridge and Huntsville submissions.

Medora and Wood proposed only three area municipalities for the whole District: a western municipality comprising Medora & Wood, Bala, Port Carling, Windermere, Watt, Cardwell, Freeman, Gibson, and Baxter; a southern municipality comprising Bracebridge, Gravenhurst, Monck, Muskoka, Morrison, Macaulay, Draper, Oakley, and Ryde; and a northeastern municipality including Huntsville, Stisted, Chaffey, Sinclair, Stephenson, Port Sydney, Brunel, Franklin, McLean and Ridout.

The Township of Monck did not detail a scheme covering the

whole District, but strongly urged that the present municipalities surrounding Lakes Muskoka, Joseph and Rosseau comprise a single area municipality, including all of Monck except a small portion immediately adjacent to Bracebridge. This Monck proposal would fit in with the western municipality proposed by Medora and Wood, except that Monck went further in urging that the shoreline around Lake Muskoka in the present Township of Muskoka be placed with this western lake-centered municipality and not with Bracebridge and Gravenhurst.

The submission from the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, like that of Medora and Wood, proposed only three area municipalities covering the whole district. This submission differed from that of Medora and Wood however in proposing, as did Monck, that the Lake Muskoka shoreline through the present Township of Muskoka be placed with the western lake-centered municipality rather than with the southern municipality including Bracebridge and Gravenhurst. This submission also placed all but the southeast corner of Monck with the western municipality, and jogged the boundary between the proposed western and northeastern municipalities so as to place all of Skeleton Lake with the west, whereas the Medora and Wood proposal had avoided new boundaries that would divide any present municipality, and had left Monck with the Bracebridge-Gravenhurst area. The submission from the three cottager associations also placed the southeast corner of Wood with the proposed southern

municipality, similar to the suggestion in the Muskoka Township brief; it also went further than other submissions in proposing extension of the outer boundaries of the District, as mentioned previously.

Thus, four fundamental alternatives can be discerned. (1) There is the proposal to retain all 25 existing municipalities. (2) There are proposals to reduce the number to between 7 and 9, similar to one or another of the Preliminary Recommendations alternatives. (3) There are the proposals from Bracebridge, Gravenhurst, Huntsville, Bala and Port Carling to create an area municipality centered on Bracebridge, one centered on Gravenhurst, one centered on Huntsville, along with either one, three or four lake-centered municipalities covering the rest of the District. (4) And finally, there is the proposal for only three area municipalities, a large western unit comprising most or all of the three Muskoka lakes and extending out to Georgian Bay; a large southern municipality comprising both Bracebridge and Gravenhurst; and a northeastern municipality comprising Huntsville and the Lake of Bays area.

From the discussions on internal boundaries at the public hearings, alternative lower-tier arrangements involving 25, 6-7, or 3 area municipalities began to emerge as the fundamental choices facing the Review.

The submissions from the Baxter-Gibson area generally favoured

an area municipality comprising Baxter, Gibson and Freeman (with or without MacTier), rather than merging this Georgian Bay area with one or two area municipalities centered on the Muskoka Lakes.

Method of Election

Direct versus Indirect

Opinion was also divided on the issue of direct versus indirect election of the members of the upper-tier council. Bracebridge, Gravenhurst, Muskoka Township and the Muskoka Law Association all proposed a combination of direct and indirect election.

Purely indirect election by which one or more members of each lower-tier council would comprise the Regional Council, was proposed by Huntsville, the joint brief from Port Sydney, Brunel, Cardwell, Chaffey, Franklin, McLean, Stephenson, Stisted, Watt, and Ridout, by Freeman, Macaulay, Medora and Wood, Oakley, Ryde and the Gibson-Baxter Committee.

On the other hand, the Township of Monck and the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations proposed that all members of the Regional Council be directly elected. The brief from the three associations however, proposed that any candidate wishing to stand for election to both the Regional Council and a lower-tier council, be permitted to do so; under this arrangement, some individuals could end up as members

of both a lower-tier and the upper-tier council, in a manner similar to the indirect election system.

Regional Chairman

With regard to the first Chairman of the Regional Council, Huntsville, Draper, Macaulay, Ryde, the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, and the Muskoka Law Association proposed appointment by the Province, while Bracebridge, Gravenhurst, Freeman, Muskoka, and Oakley proposed that the first Chairman be chosen in a manner no different from subsequent Chairmen. In the case of Bracebridge, this was proposed as election at large in the District, and the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, and the Muskoka Law Association also favoured election at large for Chairmen, after the first appointment by the Province. Gravenhurst, Huntsville, Freeman and Muskoka, on the other hand, proposed that the members of the Regional Council should elect the Chairman, while both Oakley and Ryde suggested that either method would be suitable.

Term of Office

All the submissions that dealt with this matter proposed a term of office of 2 or 3 years, with the exception of Oakley which suggested a 1 or 2 year term. Several briefs also suggested staggered terms, but a staggered system for the Regional Council would be difficult to work out in the case of an indirect or a mixed indirect-direct system of election.

Election Arrangements

Election Dates

All the submissions dealing with this matter except two, proposed that elections should be held in December. The two exceptions were Windermere and the Gibson-Baxter committee, both of which suggested that either summer elections or balloting by mail should be adopted to facilitate voting by seasonal residents; if postal balloting were adopted, December elections would also be acceptable to these two.

Postal Ballot or Advance Poll

In the case of Bracebridge, Gravenhurst and Huntsville, the need to facilitate voting by the cottage population was accepted, but it was proposed that this be done by holding advance polls; each town opposed the use of the postal ballot. Huntsville suggested that the polls might be kept open for a period of up to six days or longer, in order to give cottagers ample opportunity to cast their vote in the District.

Of the others, Freeman, Macaulay, Oakley and the Muskoka Law Association were also not in favour of the postal ballot. The opposition to balloting by mail was generally based on the conviction that such a system could not be sufficiently protected against possible abuse.

On the other hand, Draper, Medora & Wood, Muskoka, Ryde, and the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations supported

the postal ballot, and the latter submission from the three cottager associations presented considerable evidence to support the contention that balloting by mail can be satisfactorily protected against abuse. Two submissions from individuals also supported the idea of the postal ballot.

This is therefore another somewhat controversial issue, but in this case those opposing the postal ballot were evidently not doing so on principle, but rather from the fear that such a system would encourage fraudulent practices. Presumably, if it could be shown that a fully proven system for voting by mail has been developed, they would not be so opposed.

Extended Franchise

Concerning the extended franchise, Bracebridge, Gravenhurst, Freeman, Muskoka, Oakley, and the Muskoka Law Association were in favour of its adoption throughout the District, while none of the submissions opposed this.

Weight of Cottage Population in Determining Representation

In determining representation according to population, the question arises as to what population total to take: the permanent population alone, or the permanent population and the cottage population combined, or some figure in between. There are thus three main alternatives: to give full weight to the cottage population, to give part weight or to give no weight.

Many of the submissions did not express an opinion on this

matter, but of those that did, none suggested that no weight should be given to cottage population in determining representation. Opinion was divided however between part weight and full weight, with Gravenhurst, Huntsville, and the Muskoka Law Association in support of the former, and Brace-bridge, Bala, Port Carling, Windermere, Medora & Wood, Monck, Muskoka, the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, and the Gibson-Baxter Committee supporting the latter.

There is also a related issue which applies to both the permanent and cottage population, as to whether total population or only the population of voting age should be considered in determining representation; this question arises because the ratio of children per adult varies, and there is some evidence to suggest that the average ratio among cottagers may be higher than among permanent residents in Muskoka.

In supporting the principle of giving only part weight to cottage population, Huntsville, in a supplementary submission, suggested that the figure used should be derived only from private cottages, that adult cottagers of voting age only should be included, and that these adults in turn should be given only 50% representation; whereas 100% of the permanent population including children, should be used. Such a formula would have the effect of giving roughly one-quarter the weight to cottage population as would be given to the permanent population in determining representation.

On the other hand, several of the submissions proposing that full weight be given to cottagers, made the point that this is the only fair approach so long as cottagers are expected to pay full taxation.

This issue is of course of concern in determining the composition not only of the Regional Council, but also of lower-tier councils as well. In the case of many of the rural townships with a low permanent population, giving full weight to cottage population would significantly increase their representation on both the lower-tier and upper-tier councils.

Clearly this is another of the more contentious issues facing the Review.

Division of Functions

A proposed division of functions between the upper and lower tiers was suggested in the Preliminary Recommendations Report, and most of the submissions commented on this division, many of them proposing one or more changes.

The division suggested in the Preliminary Recommendations was clearly one that would create a strong upper-tier government by giving it many important functions to perform. Particularly in the field of planning, although a two-level planning system was suggested, the Preliminary Recommendations proposed that the lower-tier or Area Planning

Boards would be subordinate to the Regional Planning Board.

It is significant that only one of the submissions received disagreed with this proposal that the primary responsibility for planning ought to be clearly that of the upper-tier government. And similarly with the other functions, only this one submission suggested sufficient changes in the proposed division of functions to result in what might be termed a rather weak upper-tier government. The submission referred to came from the Oakley Township Council, which proposed that final planning decisions, and the functions of roads, general welfare assistance, fire protection, and tax billing should be reserved to the lower tier.

The joint brief from Port Sydney, Brunel, Cardwell, Chaffey, Franklin, McLean, Stephenson, Stisted, Watt, and Ridout, gave this matter of the division of functions very careful consideration, and suggested several worthwhile changes to the division proposed in the Preliminary Recommendations. The net effect of these changes however would be to increase rather than decrease the overall responsibilities of the upper-tier government, and in general the changes suggested in other submissions would also tend in this direction.

Thus, just as there is virtually unanimous agreement throughout the District that an upper-tier or Regional Government should be established, so also is there virtually unanimous agreement that it should be a strong

government, with important powers and responsibilities.

Relationship of Existing District-Wide Boards to the New Regional Government

As noted in the Preliminary Recommendations, the present District Boards could be left essentially as they are, with the Regional Council taking over the role now played by local councils in selecting or advising on the selection of certain board members; or they could be brought partially under Regional Council control by appointing members of the Regional Council to fill a minority of the positions on each board; or they could be brought entirely under Regional Council control, either by appointing Regional Councillors to fill a majority or all of the positions on each board, or by eliminating the boards and setting up their staffs as departments directly under the Regional Council. The Preliminary Recommendation was that the second of these alternatives be followed, i.e. that a minority of the positions on each board be filled by sitting members of the Regional Council.

Of the submissions which dealt with this matter, those from Freeman, Macaulay, Oakley, the Muskoka Law Association, and the personal submission from Dr. W.H. Bennett, were in agreement with this Preliminary Recommendation.

The submission from the Muskoka-Parry Sound Health Unit Board however was willing to go a step further and accept the principle of

having as many Regional Councillors as other Muskoka members on the board, although such parity was suggested as a maximum limit to Regional Council representation.

The submissions from Bracebridge, Gravenhurst and Huntsville on the other hand proposed that Regional Councillors should constitute a majority of the membership of each board (in the case of the Health Unit Board, this would apply only to the Muskoka members of course). And Draper and Ryde suggested that either the Regional Council should have such majority representation, or that the boards should be eliminated and their functions taken over directly by the Regional Council. Such outright elimination of the boards was also proposed by Muskoka Township and the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations.

Thus a considerable body of local opinion is evidently in favour of going further than the Preliminary Recommendation on this matter, although it should be noted that in the submissions of Bracebridge, Gravenhurst and Huntsville, it was proposed that the boards be left as they are during the first two years of Regional Government operation, with the Regional Council beginning to appoint a majority of the board members only after this interim period.

To Unite or Separate Urban and Rural Areas if Larger Lower-Tier
Municipalities are Established

Again, many of the submissions did not deal with this issue, but of those that did it can be said that Bracebridge, Gravenhurst, Huntsville, Draper, Medora & Wood, and Muskoka Township were in favour of uniting the rural townships surrounding each urban centre with that centre in the creation of a new area municipality. It should be noted that the written brief from Draper had taken the opposite position, but during the Draper hearing the Township reversed this position. The fact that the Muskoka Township proposal would unite all of that township with Gravenhurst leaving no part to go with Bracebridge, has already been noted.

In the case of the joint brief from Port Sydney, Brunel, Cardwell et al, and in the submissions from Oakley and Macaulay, a clear desire to remain separate from any of the larger towns would seem to be evident.

In the submissions from Monck, and the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, both attitudes would seem to be in evidence. On the one hand, the separation of the Muskoka Lakes vacationland area from the more urban-oriented Bracebridge-Gravenhurst area is a fundamental proposal in both these briefs. On the other hand, neither brief argues that other rural areas around Bracebridge, Gravenhurst or Huntsville should be so separated, and the Lake of Bays-

Peninsula Lake Associations fully support the uniting of their areas with Huntsville.

Immediate or Delayed Implementation of Major Changes

Again, many of the submissions did not deal with this issue but of those that did, Bracebridge, Gravenhurst, Monck, the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, and the Muskoka Law Association were in favour of implementing all the major changes immediately (the only exception, in the case of Bracebridge and Gravenhurst, being the 2 year delay proposed in the appointment of Regional Councillors to fill a majority of the positions on the present District-wide boards). It should be noted that the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, in their initial brief submitted in November, had taken the position that the drawing of new boundaries for fewer and larger lower-tier municipalities should be done only after Official Plan studies have been completed. In their second brief submitted in January however the Associations reversed this stand because it would delay an effective start on solving many of the most urgent problems facing the District, and came out strongly in support of making all necessary changes immediately.

It has also been noted already that some of the municipal councils wishing to retain all 25 existing municipalities at the lower tier, would be willing to consider subsequent mergers to create fewer and

larger units with the consent of the municipalities involved; but this scarcely comes under the heading of delayed implementation of a change that is accepted as desirable.

Of the remaining submissions, only that from Muskoka Township proposed a significant delay in implementation. The Muskoka Township proposal is that the introduction of Regional Government should be delayed until District re-assessment has been completed, and preferably until the ultimate outer boundary for the new Region can be determined. In the interim, it was proposed that responsibility for directing the District Assessment operation be given to the existing (unofficial) Muskoka District Council, but with the Province now taking over the assessment function, this suggestion has of course become redundant.

Conclusion

Thus, from the broad sampling of public opinion which was obtained through the public hearings it would appear that there is almost unanimous agreement that an upper tier or Regional level of government should be added in Muskoka, and that this government should be given important responsibilities. On the many other issues facing the Review however, there is less unanimity evident, and on several important issues, including the number of lower-tier municipalities, direct versus indirect election, the postal ballot, and the weight to be given cottage population

in determining representation, it may be said that opinion is quite divided.

One further matter must be noted. The majority of submissions expressed concern over the likely costs of a new system of government. Although the spending decisions under a new system must necessarily remain the prerogative of the new councils, this matter of probable costs is also of deep concern to the Commissioner, and will be among the important issues to be dealt with as far as possible by the recommendations which follow in Part II of this Report.

PART TWO

THE RECOMMENDATIONS

CHAPTER 5CRITERIA

If the purpose of government is to meet certain needs of the people, then the fundamental criterion for good government is that it be responsive to the needs of the people. These needs are varied, and sometimes opposing. There are needs of the foreseeable future, as well as the present. There are needs for services, and there is the need to keep taxation within the ability to pay. Thus there is the need for efficiency to provide the maximum amount of service for the tax dollar. There is need for ready access to government so the people may make their needs known. But there is also need to take advantage of economies of scale in providing services. There are local problems and area-wide problems; the scale of government must equal the scale of the problems it is to solve. But a government that becomes too big may cease to respond readily, particularly to local needs. To ensure that it remain responsive therefore, it must be made responsible and the lines of responsibility should be clear and undivided so there is no doubt who is accountable if needs are not met.

From such opposing needs, it is clear that the basic issue to be decided in designing a system of government is that of scale. Various service needs require a larger scale of operation, but the need for access exerts an opposing pull, to keep the scale small. An optimum balance

between access and service, and between the standard of service and the ability to pay for it, must therefore be the goal.

By adopting a two level scheme, it is possible to combine two scales of operation in one system of government. But a price must be paid for this, in terms of duplication, the need to coordinate the two levels, and less clear-cut responsibility because it is shared. Whether this price is worth paying depends on how much access or service or both must be given up in order to stick to a simpler one-tier system.

Whether one tier or two, the criteria for access and service must be in terms of the conditions of today and tomorrow, not yesterday. At the time the present municipalities were established the accessibility of elected representatives to the people, particularly in the townships, was generally low, because communication and travel were both very slow. Since then, access has improved greatly as travel times have decreased sharply and communication has become instantaneous. On the other hand, the service requirements of a hundred years ago were minimal, whereas today a complex economy, highly-developed technology, and a much higher standard of living have created both the need for and the means of providing many additional municipal services, of a higher standard. As the research findings show, this growing need for service has not been met. Thus, while access to local government has increased, municipal service has failed to keep pace with rising needs.

Under these conditions, the criteria for the scale of government should require that on the one hand it be small enough for the elected representatives to know well the area they represent, and for the electors to know their representatives, and be able to communicate with them readily by telephone, and travel to council meetings and the municipal offices within a reasonable time; and that on the other hand it be large enough to be capable of handling area-wide problems, to employ staff specially trained for the various functions, and to use efficient equipment close to its capacity. Such a government should be capable of being responsive to the needs of today and tomorrow.

To ensure that it is responsible, the criterion must be that those who are charged with providing the services are held accountable to the people through the election process. And if such accountability is to be meaningful, the people to be served and who are to pay for the services, must be fairly represented.

A responsive and responsible government meeting these criteria will be able to provide the necessary services efficiently, and can be held responsible for holding the level of taxation within taxpayers' incomes. But the distribution of the tax load must also be equitable if the government's programs are to receive broad support. There are thus two other criteria: that where different standards of service are provided to different areas, there be a corresponding differential in tax rates; and that the assessments used to distribute taxation be equitable. The fact

that the property tax tends to be regressive compared to incomes suggests that another criterion - ability to pay - would be desirable for the proper distribution of the tax burden. But as long as municipalities are required to rely on the property tax, and with the basic shelter exemption (which was designed to reduce the regressiveness of the property tax) to be abandoned, such a criterion is really not applicable to local government taxation at this time.

The other criteria above however, guided the formulation of the Preliminary Recommendations. Subsequent to their publication, "Design for Development - Phase II" was issued by the Province, setting forth a number of criteria which have now been adopted as provincial policy for the design of regional governments.

Design For Development - Phase Two

The first five of these criteria were suggested by the Ontario Committee on Taxation and have been accepted by the Government. They are:

1. A region should exhibit a sense of community identity based on sociological characteristics, economics, geography and history;
2. A region should have a balance of interests so that no one group or interest can completely dominate the region;
3. There must be a financial base adequate to carry out regional programs at a satisfactory level;

4. The region should be large enough so that local responsibilities can be performed efficiently by taking advantage of economies of scale;
5. Regional boundaries should facilitate maximum inter-regional cooperation.

In his statement to the legislature of December 2nd, 1968, the Minister of Municipal Affairs went on to note that:

We have also adopted three additional criteria. The first of these is community participation and, where possible, community acceptability. This does not mean that any municipality will have a veto over regional government proposals in its area. What we do want is participation by all communities in an area in the discussions leading to the formation of a regional government.

The second additional criterion is that the new regional government boundaries should be useable by other institutions in the regional administration of their programs. We have two types of institutions in mind. The first includes Provincial Departments and Agencies; the second - local units of education.

The third and final additional criterion we propose is this - in cases where there are to be two tiers of government within a region, both tiers should be designed with the same criteria.

The implications of adopting this could be far-reaching. Accepting this approach means that Regional Government is not simply a strengthening of the existing County-Local Municipality system, nor is it the superimposing of a new tier of Regional Government upon the existing local municipal structure. Rather, we are saying that the region and the subordinate Local Municipalities must be designed together using the same guide lines.

A longer extract from the Minister's Statement, dealing with

the size, shape, internal structure and representation of Regional Governments, is given as Appendix D at the end of this report. The Minister summarized the main characteristics to be aimed at as follows:

- One: A regional size which balances accessibility and the efficient provision of services. A minimum regional population of from 150,000 to 200,000 and, if two-tier, a minimum local population of from 8,000 to 10,000.
- Two: The region will cover both the urban community and the rural hinterland with which it shares economic, social and physical services.
- Three: Regions may be one or two-tiered, depending on local circumstances.
- Four: If two-tiered, the regional level will have many significant responsibilities including assessment,* planning, arterial roads, health and welfare.
- Five: Municipal councils will be strengthened by removing the powers from many special-purpose bodies and turning these powers over to Regional or Local Municipal Councils.
- Six: Regional Government representation will be based on population.
- Seven: In the two-tier regions, Regional Council representatives may be directly or indirectly elected.

The above statement of provincial policy therefore spells out more specifically several of the criteria on which the Preliminary

*This statement was made before it was decided that the Province would take over the assessment function.

Recommendations were based, and also adds some additional criteria. In developing the recommendations contained in the following chapters, the application of all these criteria to the situation in Muskoka has been considered. The intent however is not to mechanically apply a set of criteria so as to come up with automatic answers, but rather to judge how applicable each criterion is to the particular conditions in Muskoka, so as to carefully design a regional government system best suited to the area's needs.

Form of the Recommendations

In the remainder of the report, the first person singular construction will be adopted in setting forth the Commissioner's recommendations, to emphasize his full responsibility for them.

This responsibility is a heavy one, and because the different recommendations are of varying importance, and since the Commissioner has not been able to reach the same degree of certainty with regard to all of them, an approach similar to that used in the Preliminary Recommendations Report will again be employed. In that report, it will be recalled the phrases "I am of the firm opinion that", "I am of the opinion that", and "I am inclined to the opinion that", were used to differentiate three degrees of firmness of the commissioner's opinions at that time. Similarly, in these final recommendations, the phrase "I strongly recommend" will be used to distinguish those recommendations which

are felt to be essential to the effective reform of local government for Muskoka, the phrase "I recommend" will be used in the case of supporting changes which I regard as clearly desirable, and the phrase "I suggest" will be used for changes which I feel merit serious consideration.

All three classes of recommendations are set out clearly in the text, and are brought together in Chapter 17 in Part III of the Report.

CHAPTER 6THE FORM OF GOVERNMENT

The suggestion in the Preliminary Recommendations Report that a third or lowest tier might be established comprising all the existing local municipalities to be left with but limited responsibilities, received no support at the public hearings, and was opposed in all the submissions which dealt with the form of government.

Accordingly it is concluded that the real choice lies only between one tier or two tiers.

In the light of the overwhelming support for a two-tiered system evident in the submissions to the Review, it might be assumed that this is an obvious choice. But it is hoped that the system of government to be initiated at this time, will remain viable for many years to come. If in the long run a single tier comprising one municipality for the whole District should prove desirable, this would imply that the introduction of a two-tier system would come to be viewed as but an interim step, which must some day give way to amalgamation into a single municipality. As this kind of argument has been continually advanced with regard to Metropolitan Toronto, where it has frequently tended to disrupt the smooth working of the two-tiered Metropolitan system, it is considered worthwhile to take a closer look at the likely advantages and disadvantages of a

one-tiered system in the setting of Muskoka. It should be noted first however, that a single tier comprising several municipalities, which would be essentially the same as the present system in Muskoka, is considered clearly undesirable in the light of the research findings and submissions; thus the one-tier arrangement to be considered here would comprise only one municipality for the whole District.

Advantages of One Tier

The advantages of a single municipality over a two-tiered system are simplicity, lack of duplication, direct accountability, and a sufficiently large administration to enjoy some significant economies of scale.

Certainly, given the relatively small population of the District - even including the cottage population - if the area involved were smaller, and the population more concentrated, a single municipality would deserve most serious consideration. And there is no doubt that even with the extent of the District, given the likely future improvements in the road system, that a single municipality would be a workable solution offering several advantages over two tiers, as pointed out in the submission from Mr. L.W. Clarke. These advantages are probably great enough to ensure that this is unlikely to remain a dead issue in a Region the size of Muskoka.

Advantages of Two Tiers

But there are several strong advantages of a two-tiered system over a single municipality, stemming mainly from the large area in Muskoka, which would make access to councillors, council meetings and municipal offices difficult unless there are area municipalities within the District. Because both the permanent, and particularly the seasonal population is dispersed throughout the District and not concentrated in a single urban centre, this problem of access cannot be ignored. Similarly the council members of a single government for the whole District could scarcely be expected to develop the intimate familiarity with each locality which area municipality councillors would have, and which will be necessary if sound decisions, especially on the more local matters, are to be made. Moreover, to effectively service such a wide area, a single government would undoubtedly have to establish several depots or sub-offices throughout the District; in other words, having centralized government responsibility, administrative decentralization would then be required to carry out the functions of government. It seems preferable to decentralize decision-making and control over local matters along with this necessary decentralization of administrative staff.

On balance therefore, I am convinced that in a District the size of Muskoka, the disadvantages under a single municipality would

more than offset the advantages.

This conclusion is confirmed I believe, by the evidence which is discussed in the next chapter, that the ultimate governmental Region should be considerably larger than the present District of Muskoka. If the ultimate need for such a larger Region is accepted, then clearly a single municipality for such a very large territory would be impractical.

Thus, a two-tiered system is considered clearly preferable for Muskoka, and the only feasible choice for a Region significantly larger than Muskoka.

This would still leave the possibility however, of making all of Muskoka a single lower-tier municipality in such a larger Region. It is considered that this would not be desirable, first of all because of the problems of access to the seat of government within such a municipality, second, because its administration would have to be decentralized in any event, and third, because such a single large and powerful lower-tier municipality would be likely to carry too much weight on the council of a larger Region, unless it was under-represented.

Thus, a two-tiered system with a number of lower-tier area municipalities would offer several advantages over the present system of local government in Muskoka. First, it will permit the creation of an upper-tier government with the capability of handling District-wide

problems and supplying District-wide services. Second, this upper-tier government will be able to speak with one strong voice for Muskoka in dealings with the Province or with adjacent Regions. Third, the creation of a strong Regional Government in Muskoka will permit the delegation of certain Provincial powers to that government, giving Muskoka a more effective role in determining regional development. The present situation, in which the only government able to co-ordinate activities throughout the District is that of the Province, will give way to a new arrangement which makes this a Regional responsibility. Fourth, by means of the lower-tier units, the people of the District will be assured of good access to their local government. And fifth, elected representatives on the lower-tier councils will be dealing with areas of a size which permits them to become intimately familiar with local problems, and to tailor the solutions to fit local needs.

Moreover, the adoption of such a two-tiered system in Muskoka will lend itself to subsequent extension for a larger Region if this should be decided upon, without seriously disrupting the arrangements in Muskoka. Indeed, provided there is reasonable assurance that the lower-tier arrangements for Muskoka would fit into those for a larger Region without major readjustment, the introduction of such a system first in Muskoka could prove a most useful step in the development of a larger Regional Government. And if a larger Region should be long

delayed, or fail to materialize, Muskoka at least will have developed a Regional Government sufficiently viable to meet the pressing needs of the District.

Accordingly I strongly recommend that:

A TWO-TIER SYSTEM OF REGIONAL GOVERNMENT BE
ADOPTED FOR MUSKOKA OR FOR ANY LARGER REGION
OF WHICH MUSKOKA MIGHT ULTIMATELY BECOME A
PART.

I should add that, in my view, a two-tiered system should not be regarded as an interim measure, but as the most suitable form of Regional Government for Muskoka in the long run, whether a Region larger than Muskoka is ultimately established or not.

CHAPTER 7THE REGION

As mentioned in the previous chapter, there is considerable evidence to suggest that the governmental Region which is ultimately established in this part of the Province is likely to be significantly larger than the present District of Muskoka. Because this question has an important bearing not only on the specific outer boundary issues which were raised during the Review, but also on the long-term viability of the Regional Government to be proposed, and on the ultimate pattern of Regions through central Ontario, it is important to consider this evidence at some length.

The Case for a Larger Region

The fundamental argument in favour of a larger Region stems from the fact that in order to provide regional services of a quality acceptable by modern standards, it is essential to employ professionally qualified personnel for their administration; and without a sufficient population to serve and an adequate tax base to support such services, there is neither the workload required to use such staff to capacity, nor a broad enough tax base for the costs to be spread so as not to constitute an undue burden.

Two examples from Muskoka experience help illustrate the

point. On the one hand, there is the Muskoka District Children's Aid Society, operating within the present District boundary. The caseload generated by this area, on the order of only about one hundred children in care and about one hundred families for counselling, is generally admitted by those in the child welfare field to be just too small to justify the complement of specialized staff which the C.A.S. has to retain to keep its service up to current standards. On the other hand, there is the Muskoka-Parry Sound District Health Unit, with an area of jurisdiction including all of Muskoka, the major part of the District of Parry Sound, and the Sherborne, McClintock and Livingstone portion of the Provisional County of Haliburton; this much larger area is still considered by the Ontario Department of Health to contain a somewhat smaller population than is desirable for a modern Health Unit.

The Ontario Committee on Taxation made the point clearly:

".....functions and regions should be so tailored to one another that a high level of efficiency results. Here we believe that three standards of efficiency are particularly applicable. The first is economy of scale directed toward the provision of the highest possible standard of service at any given expenditure level. The second is specialization in terms of the capacity of a region, through the extent of its territory and population, to employ professional skills and provide specialized services of a type not otherwise within the economic capacity of local government. The third is the application of modern technology: regions should be so designed, and their functions so allocated, that the most efficient use of present and future technologies can be brought to bear in the discharge of regional responsibilities..... All of the above can be distilled into

the following criterion: Every region should be so constituted that it has the capacity to perform those functions that confer region-wide benefits with the greatest possible efficiency, efficiency being understood in terms of economies of scale, specialization and the application of modern technology".*

It should also be noted that the submission of the Muskoka-Parry Sound District Health Unit to the Review made reference to the fact that the existing Health Unit possesses the minimum population necessary for a comprehensive and efficient Public Health Program, and strongly urged that its area of jurisdiction be not cut back or divided by the Review. Several other submissions also urged one or more extensions of the Muskoka boundary, and the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations proposed the inclusion of some fifteen adjacent townships in whole or part, to bring more effective watershed control under the one Regional Government. The submission from Muskoka Township went further, noting that the District of Muskoka falls far short of the hoped for population of a Region, and proposing that the Regional boundaries reach out substantially beyond the limits of Muskoka in order to embrace a sufficient population for Regional Government purposes; enlargement to the northwest, north and east was suggested as affording the most natural and attractive areas for the expansion needed to achieve a more adequate population base.

*Report of The Ontario Committee on Taxation, 1967, Vol. 2, pp. 508-9

Experience of the Department of Municipal Affairs and the several other Departments concerned with the administration of municipally-oriented services, supports the same conclusion regarding regional scale. Thus, the Minister of Municipal Affairs, in his statement in Design for Development - Phase Two, stated that: "Our experience and discussions with other Departments and with Municipalities suggest conclusively that a minimum regional population of from 150,000 to 200,000 is required for the efficient provision of most local services".

In considering such population objectives of course, seasonal residents cannot be ignored where they are large in number as is the case in the Muskoka, Parry Sound, Haliburton, Lake Simcoe, and Kawartha areas. For their cottages add to the tax base, although generally at a lesser ratio of assessment per capita than for permanent residents, and they require certain municipal services, though not others. Thus, the cottage population in Muskoka - estimated in the Research Report at about 54,000 assuming 80% cottage occupancy (or 67,000 at 100% occupancy) - brings the District closer to the minimum population size required for a Region, but cannot be said to do so to the same extent as would a comparable number of additional permanent residents. That is, it takes a greater number of cottagers than of permanent residents to support and justify a given scale of municipal operation. Thus, even after allowing for cottage population, it is clear that Muskoka does not have the equivalent of much

over half the 150,000 suggested by the province as the desirable minimum for a viable region.

The argument against a larger Region is of course that it would make access to the Regional Government too difficult. But with the telephone and road networks now in existence, it is possible for residents living upwards of fifty miles from a centre to communicate with that centre instantly and at reasonable cost, and to travel to it in not much over an hour. Compared to the communication and travel times when the Counties in southern Ontario were first formed, a Regional Government area of even one hundred miles across is relatively of significantly smaller scale than were the Counties when established. Furthermore, the existence to-day of excellent local newspapers and of radio and television reception from nearby stations, makes it possible for the electorate over a wide area to be kept well informed on all local political issues. Thus the argument that government in a larger Region would be too far removed from the people can hardly be considered valid under modern conditions.

Scope of The Review

It is clear from the Terms of Reference that the Muskoka Review does not have the scope to recommend local government arrangements for such a larger Region. The Review was from the outset Muskoka-based, and neither the Terms of Reference nor the budget made allowance for the studies of adjacent Districts and Counties which would be required

to determine appropriate arrangements for a larger Region of which Muskoka would be a part.

But although the Review cannot resolve this issue, it is far too important to be ignored, for without reasonable assurance that the system of local government proposed for Muskoka would, without major adjustment, fit into a larger Region should one be established, the work of the Review might be largely undone by such a subsequent change. Accordingly, I feel it is my responsibility as Commissioner to at least explore the alternatives for a larger Region, and to suggest a method of establishing suitable liaison between the new Regional Government which may be established initially for Muskoka, and the studies of adjacent Districts and Counties which may subsequently lead to enlargement of that Regional Government.

Alternatives for a Larger Region

A region including Muskoka could extend to the north into the District of Parry Sound and the narrow strip of the District of Nipissing lying to the west of Algonquin Park, or to the east into the Provisional County of Haliburton and perhaps beyond into the County of Hastings, or to the south into the Counties of Simcoe, Ontario, and/or Victoria; or some combination of these extensions would be possible. The main alternatives are set out in conceptual form on Plate 2, and may be summarized as follows:

1. A Muskoka-Parry Sound Region - probably stopping short of Lake Nipissing because of the influence of North Bay and Sudbury;
2. A Muskoka-Haliburton Region - probably including at least Longford Township from the County of Victoria, and possibly extending into the northern part of Hastings County;
3. A Region combining Muskoka with most of Simcoe and the northern parts of Ontario and Victoria Counties;
4. A Muskoka-Parry Sound-Haliburton Region;
5. A Region combining Muskoka and Haliburton with most of Simcoe and the northern parts of the Counties of Ontario and Victoria;
6. A Region combining Muskoka, most of Parry Sound, most of Simcoe, and the northern parts of Ontario and Victoria - such a Region would be similar to the Champlain Region suggested in the Report of the Ontario Committee on Taxation, except that the latter included a portion of Dufferin County and excluded any part of Victoria;
7. A Region similar to number 6 preceding, but including also Haliburton and possibly part of Hastings.

Of these, the last alternative would almost certainly be generally regarded as too large in territorial extent, which leaves the six alternatives shown on Plate 2 for more serious consideration.

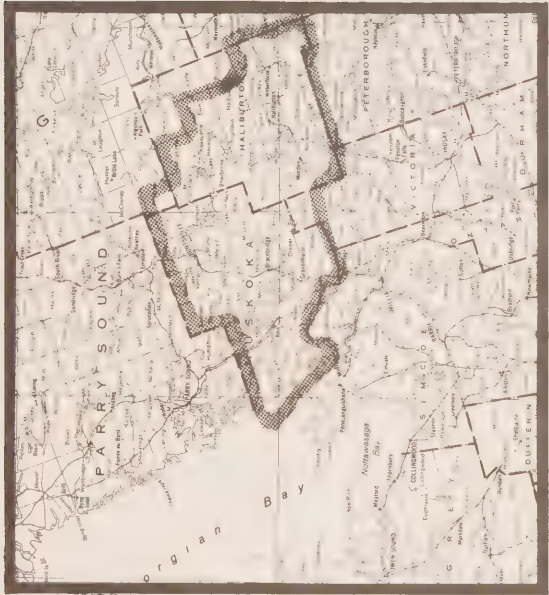
Looking at the areas involved, Muskoka, Parry Sound, Haliburton, North Hastings, and North Victoria are on the pre-Cambrian Shield and as a result are areas where agriculture is of limited importance; their primary role is as vacation areas, with significant potential for further development of cottaging and tourism. There are no urban growth



3



6



2



5



1



4

POSSIBLE LARGER REGIONS

centres of significance in any of these areas, although Gravenhurst, Bracebridge, Huntsville, Parry Sound, Haliburton, and Bancroft have a greater or lesser potential for attracting industrial growth.

In the northern parts of Simcoe and Ontario Counties on the other hand, agriculture is of more importance, and there are the significant urban centres of Barrie and Orillia; cottage and recreational development is also of significance however around Lakes Simcoe and Couchiching, and along the southern shore of Georgian Bay, the Severn River and Sparrow Lake.

In terms of watersheds, Muskoka, the southern two-thirds of Parry Sound, northwestern Haliburton, northern Victoria, all of Simcoe and the north portion of Ontario County all drain to Georgian Bay; the central and southern parts of Haliburton drain through the Kawarthas to Lake Ontario; and the eastern portion of Haliburton and northern Hastings drain to the Ottawa River.

With regard to highways, Simcoe, Ontario, Muskoka and Parry Sound are served by Highways 400, 11, 69, and 103, while Haliburton is served by Highways 35, 28, and 121. Through Simcoe, Muskoka and Parry Sound pass the main arteries linking southern and northern Ontario.

In the light of these considerations, it would appear that while

each area is distinct from the others, it also has certain things in common with them. Yet Muskoka would seem to have more in common with Parry Sound, Haliburton, and the northern parts of Victoria and possibly Ontario Counties, than it does with Simcoe; this was also a view expressed in some of the submissions to the Review. The southern two-thirds of Parry Sound, northwestern Haliburton, and the northernmost portion of Victoria were mentioned particularly as having many interests in common with Muskoka.

These considerations raise two fundamental questions with regard to the criteria for governmental Regions set forth in the Design for Development statements. The first is the question of "community identity" (criterion 1) versus "balance of interests" (criterion 2); the second is the suggestion that each Region should have a significant urban centre, and the fact that this would require putting Muskoka and probably the southern portion of Parry Sound together with the northern part of Simcoe containing Barrie and/or Orillia; according to several of the submissions to the Review, there is little or no sense of community identity or common interest as between Muskoka-Parry Sound on the one hand, and Simcoe on the other. Indeed, it was suggested on more than one occasion that whereas a Regional Council for Muskoka-Parry Sound might be expected to work quite smoothly, this would almost certainly not be the case if Simcoe were included, because of different interests and attitudes.

These views of course came mainly from Muskoka residents. Until studies have been carried out in these adjacent Districts and Counties, it is not known how each of them will feel about the alternatives from their point of view, assuming each must some day become part of a larger Region. Thus, Parry Sound might prefer to go with North Bay; Haliburton might decide in favour of going with Peterborough and the Kawarthas, or it might prefer to follow the proposal of the Ontario Committee on Taxation and be excluded from any Region, obtaining regional services through contractual arrangements with one or more of the adjacent Regional Governments; and Simcoe, with or without the northernmost part of Ontario and Victoria, might prefer to go with Muskoka, or could argue that it already meets the minimum population requirement of about 150,000, and should therefore become a Region on its own.

Clearly, no conclusions can be drawn until the other Districts and Counties involved have studied the situation and formed opinions. It is also clear however, that if an enlarged Region including Muskoka should be formed, the shape it takes will have strong implications for the ultimate regional pattern throughout this whole central portion of the province. And of course, the shape it takes can also have profound implications for Muskoka.

While conclusions cannot be reached at this stage, some

tentative opinions can be expressed.

First, it would seem that the most basic question is whether Muskoka, Parry Sound and possibly Haliburton could constitute a "vacationland region" that would have the economic strength to be viable in the long run, or whether these areas have to be linked with one or more urban growth centres of some significance to provide a better and more balanced base for economic growth. As the Georgian Bay Regional Plan Study has pointed out, the permanent populations of all of these areas are well below the provincial average in their economic well-being, by almost any set of indicators; but Simcoe still ranks above and closer to the provincial norm than the others, besides having the only significant urban centres.

From the point of view of sustained and balanced economic growth, there can be little doubt that the inclusion of a major part of Simcoe would appreciably strengthen the region. But from the point of view of planning, pollution control and harmonious day-to-day relationships, the geographical differences in such a region might prove a continuing obstacle to effective Regional Government operation.

What is at issue then is the age-old conflict between two criteria, the one calling for community identity or common interests, the other for a balance of interests or diversity.

Because the way in which this issue is resolved will have far-reaching implications, it is important that the Districts and Counties concerned give the matter thorough consideration.

Accordingly, I recommend that:

IF A REGIONAL COUNCIL IS ESTABLISHED FOR MUSKOKA, THE MINISTER OF MUNICIPAL AFFAIRS SHOULD ENSURE THAT IT IS GIVEN REPRESENTATION ON ANY REVIEW-TYPE STUDY COMMITTEES SET UP TO CONSIDER LOCAL GOVERNMENT REORGANIZATION IN THE DISTRICTS OR COUNTIES IMMEDIATELY ADJACENT TO MUSKOKA.

A Muskoka Region

Desirable as it would be to resolve the issue of a larger Region first, it is likely that this will take some considerable time. Meanwhile, not only is the need for local government reorganization in Muskoka pressing, but there is also an opportunity to initiate a Regional Government in Muskoka which can in turn, both as a model and through its own early experience, assist in the process of establishing Regional Government over a wider area in this part of the province. Although some subsequent adjustments to such a Muskoka-based system will probably be required as regionalization proceeds, these are likely to affect primarily the lower-tier arrangements and the composition of the Regional Council, changes

which it should be possible to make without drastic disruption of the regional and local government programs under way in Muskoka. Accordingly, it is felt that there is much more to be gained than lost by proceeding with the immediate establishment of Regional Government for Muskoka, as long as the likely need for some subsequent adjustments is recognized from the outset.

Initial Outer Boundaries

Several specific adjustments to the present outer boundary of the District of Muskoka have been suggested and discussed during the Review. Of these, the proposal that Baxter, Gibson and the west part of Freeman be removed from Muskoka met with nearly unanimous opposition.

Three other major changes were also explored: 1) that Rosseau, part or all of Humphry and part of Conger be transferred from Parry Sound to Muskoka; 2) that more or less of Sherborne, McClintock and Livingstone be transferred from Haliburton to Muskoka; and 3) that Longford be transferred from Victoria to Muskoka. Each of these changes received strong support from within Muskoka, but the first two were very strongly opposed by those affected in Parry Sound and Haliburton, while the last one would probably have met with similar opposition from Victoria had it been a public proposal brought to the attention of the Victoria County Council, rather than a suggestion made in submissions to the Review.

Thus, although I have had preliminary discussions with representatives of the private organization which owns most of the land in Longford, indicating that they would probably look favourably on joining Muskoka, I think it likely that such a transfer would perhaps prove to be as contentious as the others.

Admittedly, some strong arguments in support of each of these three suggested changes were made in the submissions to the Review. But I am impressed with what I consider to be a valid position taken in several of the submissions from Parry Sound and Haliburton, that no such changes should be made until suitable arrangements have been worked out for all of Parry Sound and all of Haliburton under the province's Regional Government program. This is I believe, the only sound approach, providing these boundary issues are given early attention in studies carried out for the areas involved. For it is possible that such studies might lead to a larger Region within which these issues would become internal rather than external boundary questions, which might then be more readily resolved.

One other boundary change proposed in the Preliminary Recommendations met no opposition, and was supported in several of the submissions. That is the proposal that the west part of the unorganized Township of Finlayson lying between the present District of Muskoka and

Algonquin Park, be brought into Muskoka. This is a portion of the narrow strip of the District of Nipissing which lies between Algonquin Park and the Districts of Muskoka and Parry Sound. It is obvious that most of this strip can be serviced more logically from Muskoka and Parry Sound, and it seems only logical to deal with the portion lying between Muskoka and Algonquin Park at this time.

Accordingly, I recommend that:

THE AREA OF JURISDICTION OF THE PROPOSED
REGIONAL GOVERNMENT INITIALLY INCLUDE ALL
OF THE PRESENT DISTRICT OF MUSKOKA, PLUS
THAT PORTION OF THE UNORGANIZED TOWNSHIP
OF FINLAYSON IN THE DISTRICT OF NIPISSING,
LYING BETWEEN THE DISTRICT OF MUSKOKA
AND ALGONQUIN PROVINCIAL PARK.

This proposed initial Region is shown on Plate 3.

It is considered that such an area is quite suitable for the initial period of organization and operation of the proposed Regional Government. But I do not feel it would be satisfactory in the long run, not only because it falls far short of the minimum population considered desirable for a Region, but also because it leaves unresolved the specific



boundary questions discussed above.

Accordingly, I suggest that:

THE MINISTER OF MUNICIPAL AFFAIRS ENSURE
THAT STUDIES TO DETERMINE SATISFACTORY
LONG-TERM BOUNDARIES FOR THE GOVERNMENTAL
REGION CONTAINING MUSKOKA, BE UNDERTAKEN
WITHIN THE NEXT FEW YEARS.

CHAPTER 8LOWER TIER MUNICIPALITIES

There are three related issues to be resolved in order to determine the structure of the lower tier. First, there is the question of whether the presently unorganized territories in the proposed Region should be organized; second, there is the question of the number of lower-tier municipalities; and third, there is the question of the precise location of boundaries between them.

Each of these is a controversial question, and it is clear from the submissions received by the Review, that no solution is possible which will satisfy everyone. Under these conditions, the aim must be not to seek an easy compromise, but to propose that solution which will best serve the interests of the people of Muskoka in the long run. Such a solution must be related to the criteria set out in Chapter 5, but it must also be tailored as closely as possible to the particular conditions in Muskoka.

Two additional criteria are also necessary in considering the lower tier. The first derives from the possibility of a larger Region, as discussed in the previous chapter: this suggests that a lower-tier arrangement should be sought for Muskoka that would fit into a suitable lower-tier system in a larger Region, without major readjustments. The other stems from the recent experience in the District with costly, time-consuming

and disruptive annexation proceedings, and from the likelihood that similar annexation moves can be expected in other parts of the District unless a set of lasting municipal boundaries can be devised: this criterion then is that inter-municipal boundaries should be such as to eliminate any foreseeable need for future annexations.

In the light of these and the other criteria, consideration will be given in turn to each of the above three questions.

UNORGANIZED TERRITORIES

The presently unorganized territories in the District are the Townships of Baxter, Gibson and Sinclair, and it is proposed that the western half of the Township of Finlayson should also be included in the initial Region.

In the Preliminary Recommendations Report it was proposed that all such presently unorganized territories included under the new system of government should become organized, and this brought forth reactions pro and con from various groups in these areas. The opposition to organizing seems to stem largely from a fear that taxes may rise, or that the newly organized areas may not have an effective voice on their municipal council. Those supporting organization, recognize the need for effective control by Muskoka people over planning and development, pollution control programs, and the provision of local services. Since

taxes in the unorganized areas will rise in any case because of the new District Board of Education arrangements, and since these areas expressed a strong desire to remain in Muskoka and hence must expect to come under and support a Muskoka Regional Government, a strong argument for organizing is that only in this way can the people in these areas have an effective voice in how their tax money is spent.

The population of an area is of course the fundamental factor when considering organization. With a permanent population of about 1,100, Baxter has more permanent residents than all but four of the presently organized townships in the District, and would clearly seem due to become organized. Gibson and Sinclair on the other hand each have permanent populations of not much over 200, and although this equals or exceeds the number of permanent residents found in the organized Townships of Cardwell, Oakley, Ridout, Ryde, and Stisted, it cannot be said that such a small population warrants organized municipal status. When cottage population is considered however, Baxter has a greater number than any municipality in the District except Medora and Wood, and Gibson ranks fourth in the District, after Muskoka Township. Moreover, both Baxter and Gibson are under continued pressure for further cottage development, and their cottage populations may be expected to increase significantly in the future. In the light of these considerations, there is no doubt that organized municipal government will be required to properly

plan for and serve the people of the Baxter-Gibson area.

In the case of Sinclair, the present cottage population is estimated at about 700; but this is expected to double in future, according to the forecasts given in the Research Report, so that again organized municipal planning and servicing will clearly be required for Sinclair in the future. This leaves only the portion of Finlayson proposed for inclusion in the initial region, and although the available forecasts do not cover it, this area which contains several lakes, is also likely to experience significant cottage development. Moreover, to leave only a small portion of the Region unorganized would be illogical in a system designed to provide competent local government throughout the Muskoka Region.

Thus, I have no doubt that these presently unorganized areas should be organized. But in the light of the criteria as set out in Chapter 5, none of these unorganized townships by itself has sufficient population to warrant its being organized as a separate municipality. It might be argued of course that Baxter and Gibson combined would meet the minimum population size criteria taking their cottage populations into account. But their combined permanent population would still be only about 1,300, representing only about 10% of their total combined permanent and cottage populations; such a relatively small permanent population, greatly outnumbered by the cottagers, is not considered the most desirable basis for local government.

Accordingly I strongly recommend that:

THE UNORGANIZED TERRITORIES OF BAXTER
AND GIBSON ON THE ONE HAND, AND OF SINCLAIR
AND THE WEST HALF OF FINLAYSON ON THE
OTHER, BE ORGANIZED, AND THAT THIS BE DONE
NOT BY GIVING THEM SEPARATE MUNICIPAL STATUS,
BUT BY COMBINING THEM WITH ADJACENT ORGANIZED
TERRITORY SO AS TO FORM LARGER MUNICIPAL
UNITS.

NUMBER OF LOWER-TIER MUNICIPALITIES

As indicated in Chapter 4, the fundamental alternatives to emerge from discussions at the public hearings were: 1) to retain all 25 present municipalities; 2) to reduce the number to 7-9 similar to one or another of the Preliminary Recommendations alternatives; 3) to create an area municipality centered on Bracebridge, one centered on Gravenhurst, one centered on Huntsville, along with either one, three or four lake-centered municipalities covering the rest of the District; and 4) to establish only 3 area municipalities, one for the Muskoka Lakes-Georgian Bay area, one in the south including Gravenhurst and Bracebridge, and one in the northeast comprising Huntsville and the Lake of Bays area.

These will be discussed in turn.

Alternative # 1 - 25 Municipalities

As indicated in Chapter 4, there is a significant body of opinion in Muskoka in favour of retaining all 25 existing organized municipalities on the lower tier. But in the light of the research findings as discussed in Chapter 3, it is clear that to do so would be to ignore the criteria for responsive local government as laid down by the Province and adopted by the Review.

Moreover, it is also clear from the analysis of submissions given in Chapter 4, that the councils of municipalities containing the majority of the permanent population in the District, along with the major cottage associations in the District, accept the need for a lower tier comprising fewer and larger municipalities than now exist. Furthermore, if a larger Region should subsequently be established, retention of all present municipalities in such a larger area could result in a lower tier of 40 to 50 units. And it is also obvious that to attempt to retain present municipal boundaries will almost certainly bring on costly and disruptive annexation proceedings in several parts of the Region. As well, to retain all present municipalities would mean preserving no fewer than 17 with permanent populations of under 1,000 - seven of which have fewer than 250 year-round residents; and even if cottage population is counted, ten of these seventeen municipalities have fewer than 2,000

permanent and seasonal residents combined. Municipalities of this size cannot cope with the problems and service demands facing local government today.

Accordingly, I cannot recommend this alternative for the lower tier.

Alternative #2 - 7 to 9 Municipalities

The four alternative schemes presented in the Preliminary Recommendations Report fall in this category. They were presented as tentative proposals to stimulate discussion, and were not intended to necessarily approximate a final scheme for the lower tier. Indeed, it was specifically noted in the Preliminary Recommendations Report that as a result of the hearings, it is quite possible an additional alternative not presented in that report would emerge as the most desirable.

In effect, this is what has happened, for although some of the submissions leaned toward one or another of the Preliminary Recommendations alternatives, the majority of opinion at the hearings was not strongly in favour of any of them.

Alternative #3 - 4 to 7 Municipalities

(a) 7 Municipalities

A scheme that would involve 7 municipalities however emerges from consideration of several of the more important submissions, as a

scheme which would enjoy considerable support within the District. Such a scheme would comprise area municipalities centered on Gravenhurst, Bracebridge, Huntsville, and the Lake of Bays area, with two more covering the Muskoka Lakes area, and a seventh comprising the Georgian Bay area of Baxter, Gibson and Freeman. Such a Georgian Bay grouping was supported by most of the submissions from the Baxter-Gibson area and by the Township of Freeman; and the Bracebridge submission specifically proposed seven municipalities along these general lines, while the submissions of Huntsville and of Bala and Port Carling were in agreement except that their proposals included only six municipalities, which would require inclusion of the Georgian Bay area with the two area municipalities covering the Muskoka Lakes.

The issues which emerge under this general approach are:

(a) whether the Georgian Bay area of Baxter, Gibson, and most or all of Freeman should be given separate municipal status; and (b) whether there should be one or two municipalities for the Muskoka Lakes area.

In considering the former issue, three main factors are of importance: the first is the somewhat different nature of the Georgian Bay area compared with the rest of Muskoka, and the fact that it is accessible mainly by a different highway route than the rest of the District; the second is the question of whether this Georgian Bay area has the population and resources to form a viable area municipality;

and the third has to do with the long-term orientation of the Georgian Bay area, north-south versus east-west.

With regard to the first aspect, there is no doubt that there are some distinctive differences between the Georgian Bay area and the rest of Muskoka. But the submissions received leave little doubt that these differences are of considerably less importance than the similarities; for all but one of the submissions from this area stressed the need to keep the area in Muskoka because of common problems and attitudes which it is felt are not shared with the Simcoe County area to the south. Nevertheless, there is a feeling that the Georgian Bay area is distinct enough to deserve separate municipal status rather than being joined to one or more area municipalities covering the Muskoka Lakes.

When we turn to consider the second aspect however, although the Georgian Bay area has a significant amount of assessment, due mainly to cottage development, and the potential for considerably more, the area still falls short of the assessment of all but one of the other six areas mentioned. More important, is the limited permanent population in the area of just over 2,000 if MacTier is included, and under 2,000 otherwise. This, along with a high ratio of cottagers to permanent residents (almost 6:1 if MacTier is included), is not felt to provide the most desirable basis for a municipality. It must be admitted however, that this area is not unlike the Lake of Bays area in these respects, which would suggest that

if the latter area is to be given separate municipal status, it would be difficult to refuse this to the Georgian Bay area.

With regard to the third aspect, the Baxter and Gibson area though presently more oriented to the north and south because of Highway 103, seem destined to be tied more to the Bala and Wood areas in the future because of improvements to Highway 660. But the Freeman and MacTier area, though having good access to Medora and Port Carling, is oriented to the Town of Parry Sound for High School purposes, for major shopping and for hospital, medical and other services; and this orientation seems likely to continue in future. Thus, if a larger Region were to be established combining Muskoka and the southern portion of the District of Parry Sound, consideration should perhaps be given at that time to including the Freeman and MacTier area in a west Parry Sound municipality. If this were to happen, separate municipal status for the Baxter-Gibson area would become somewhat more questionable.

Thus, it may be concluded that a separate Georgian Bay area municipality within the initial Region would deserve serious consideration, but that if the Region were subsequently enlarged to include the southern portion of the District of Parry Sound, the possibility of re-orienting the Freeman-MacTier area into a west Parry Sound area municipality at that time, would be contingent on whether Baxter and Gibson were then capable of going it alone, or willing to merge with the Muskoka Lakes area.

The other issue as to whether there should be one or two municipalities for the Muskoka Lakes area is considered below in discussion the scheme for 6 municipalities.

(b) 6 Municipalities

The basic approach of this scheme is similar to that for the seven municipalities discussed above, except that either the Georgian Bay area would not be made a separate municipality, or the Muskoka Lakes area would not be divided into two municipalities. The six municipalities would thus involve one centered on each of Gravenhurst, Bracebridge and Huntsville, one centered on the Lake of Bays area, and the division of the Muskoka Lakes -Georgian Bay area into two municipalities. Such a scheme was proposed by Huntsville, and with regard to the Gravenhurst, Bracebridge, Huntsville and Lake of Bays area municipalities, was also supported by Bracebridge. Bala and Port Carling also proposed the version that would make each of them the centre of an area municipality. And although the Gravenhurst proposal (discussed below) differed for other parts of the District, it was essentially similar concerning the proposal for an area municipality centered on Gravenhurst; and a similar Gravenhurst-centered municipality was also proposed by Muskoka Township.

Thus, one or another scheme for six municipalities was supported in whole or part by the Councils of all five of the main urban

centres in Muskoka and the Township comprising the key area located between two of them.

It is obvious that such a scheme has a lot to be said for it. It would reduce significantly the number of municipalities in the District and increase their size. Yet the new municipalities would not be overly large, and either four or five of them would have urban centres. On the other hand, the approach favoured by Bala and Port Carling would divide the Muskoka Lakes area into two parts, a division strongly opposed by Medora and Wood, Monck, and the Muskoka Lakes Association.

(c) 4 Municipalities

This proposal was received only from Gravenhurst, but it is worth discussing because it combines some of the features of the six or seven municipality schemes discussed above, with those of the three municipality scheme considered below. Thus it would create an area municipality centered on each of the large towns of Gravenhurst, Bracebridge and Huntsville, but it would combine the Lake of Bays area with Huntsville in one municipality, and it would combine most of the Muskoka Lakes area along with the Georgian Bay area in a fourth municipality including both Bala and Port Carling. It is also similar to the Medora and Wood proposal in that the new municipalities would be created by grouping present municipalities whole without splitting any of them.

In this scheme, the municipality which would include Bracebridge would lie entirely to the north of it, comprising Cardwell, Stisted, Windermere, Watt, Stephenson, Port Sydney, Monck, and Macaulay. This is a more extensive area than proposed in the Bracebridge submission (but of course the Huntsville submission did not propose taking in the Lake of Bays area either); and it would go counter to the proposals of Monck, Windermere, and Cardwell that they be included with the Muskoka Lakes area rather than Bracebridge if new municipalities are formed.

Nevertheless, this scheme follows the general intent of the submissions received from Bracebridge, Huntsville, Medora and Wood, Muskoka Township, and the Lake of Bays-Peninsula Lake Associations, and although it divides the east shore of Lakes Muskoka and Rosseau from the rest of the Muskoka Lakes area, it at least leaves the latter area united and combines it with the Georgian Bay area, and so would partly meet the intent of the submission from the Muskoka Lakes Association.

Alternative # 4 - 3 Municipalities

The proposal that the District be divided into only three municipalities was made by Medora and Wood and the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, while the submission from the Township of Monck which proposed a single municipality for the whole of the Muskoka Lakes area, could be said to explicitly support one of the three municipalities as proposed by the cottage associations, although

the Monck brief did not deal with the Georgian Bay area, nor with the division of the rest of the District lying east of the Muskoka Lakes.

There was also a significant difference in the boundary between the western municipality and the other two as proposed by Medora and Wood on the one hand, and by the three Associations and the Township of Monck on the other; but as we are concerned here primarily with the number of municipalities, this boundary difference will be left for later discussion.

The chief implication of this scheme, besides the fact that it would unite more or less all of the Muskoka Lakes into one municipality, and would unite the Lake of Bays area with Huntsville, is the fact that it would also unite Gravenhurst and Bracebridge in one area municipality. Thus there would be a large western municipality, comprising all or most of the Muskoka Lakes and the Georgian Bay area; there would be a large southern municipality including both Gravenhurst and Bracebridge and adjacent townships; and there would be a large northeastern municipality comprising Huntsville and the Lake of Bays area.

Such a scheme is in conflict with the proposals by Gravenhurst and Bracebridge, which suggested a separate municipality centered on each of these towns; and it is also in opposition to the proposal by Bala and Port Carling, that the Muskoka Lakes-Georgian Bay area be split into

two parts, one centered on Port Carling, the other centered on Bala. With regard to the Huntsville-Lake of Bays area, the submission from Huntsville proposed an area municipality centered on Huntsville but excluding the Lake of Bays area; and at the public hearing, the view of the Huntsville delegation was that an area municipality combining the Lake of Bays area with the Huntsville area would be much too large.

Thus it must be concluded that this proposal is opposed by Gravenhurst, Bracebridge, Huntsville, Bala and Port Carling. But it does meet the target population of 8,000 (as set down in Design for Development - Phase Two) in terms of permanent population, in two of the three municipalities; and if cottage population is taken into account, it exceeds this figure in all three of the suggested municipalities.

The Real Alternatives

From the above, it would appear that the real alternatives are for seven, six, or three municipalities. And it will be noted that if each municipality in the scheme for three is divided into two parts, the scheme for six results, while the scheme for seven involves a further breakdown of one of the six into two parts. Thus it could be said that there are seven basic components; by combining two of the seven we get a scheme for six; and by grouping the six in pairs, we get a scheme for three. This is not to imply of course, that the various submissions were in agreement on the

boundaries, for as will be discussed in the next section, there are some contentious boundary issues involved. But a sense of agreement does emerge from the various submissions that there are seven identifiable areas in the District as follows:

1. The Georgian Bay Area
2. The southwestern Muskoka Lakes Area, centered on Bala.
3. The northeastern Muskoka Lakes Area, centered on Port Carling.
4. The area centered on Gravenhurst.
5. The area centered on Bracebridge.
6. The area centered on Huntsville.
7. The Lake of Bays Area.

It will be noted that four of these areas are centered on an existing town and a fifth on a village, leaving only two without an identifiable urban centre.

Table 4 sets out the estimated assessment and population in each of these possible area municipalities. The figures are based on a certain set of boundaries which will be described in the next section, and while different boundaries would alter the figures, in most cases the change would not be too great. Thus the table gives a reasonably good indication of the population and tax base of the various potential area municipalities.

TABLE 4. ESTIMATED ASSESSMENT AND POPULATION IN POSSIBLE AREA MUNICIPALITIES

Area Municipality(1)	Assessment(2)	Present Population		Estimated 1990 Population	
		Permanent(3)	Cottage(4)	Permanent(5)	Cottage(6)
South					
Gravenhurst and Area	120,684,237	11,914	15,244	14,781	23,280
Bracebridge and Area	73,384,428	5,744	10,498	7,332	16,140
	47,299,809	6,170	4,746	7,449	7,140
East					
Huntsville and Area	95,491,243	9,706	13,575	10,850	21,000
Lake of Bays Area	61,985,635	8,376	6,387	9,148	10,040
	33,505,608	1,330	7,188	1,702	10,960
West					
Georgian Bay Area	147,673,792	5,599	29,913	6,269	45,720
Muskoka Lakes Area	33,007,007	2,209	11,232	2,350	17,000
- Bala and Area	114,666,785	3,390	18,681	3,919	28,720
- Port Carling and Area	46,975,292	1,510	9,147	1,818	12,640
	67,691,493	1,880	9,714	2,101	16,080
Total	363,849,272	27,219	58,732	31,900	90,000
			85,951		121,900

(1) according to boundaries as shown on Plate 4.

(2) 1968 assessment for 1969 taxation, equalized to market value using 1968 Provincial equalization factors and including tax-equivalent assessment on exempt properties on which grants-in-lieu of taxation are paid. Includes estimated assessment of \$30,707,036 in Baxter, Gibson and Sinclair.

(3) according to 1968 assessment records.

(4) 1966 cottage count from Research Report, at 100% occupancy, times 4 persons per cottage.

(5) estimate from Research Report.

(6) 1990 cottage estimate from Research Report, at 100% occupancy, times 4 persons per cottage.

The table is set out to show the possible groupings under the scheme for three municipalities (identified as west, south and east), and under the scheme for six municipalities (indicated by the two-fold breakdown of each of the three). The further breakdown of the Muskoka Lakes area in the seven municipality scheme is also shown*.

Having narrowed down the choice to 7, 6 or 3 municipalities, the task is to select the number which will work best. This is a most difficult task, because it involves not only a consideration of the optimum size for a municipality under conditions in Muskoka, but also judgments concerning the vital ingredient of agreement and consensus, so necessary if the machinery of local government is to function smoothly. And from the discussion so far, it is apparent that each of the three main alternatives has some advantages and some disadvantages in comparison with the other, so that none stands out clearly as a perfectly ideal solution.

Comparing the very large municipalities of the scheme for three with those of about half their size in the scheme for six, the former of course have a more adequate financial base; and there is also less inequality in assessment among the three, the largest (the west municipality)

* It should be noted that the table shows the one way of dividing the west area into two, by separating the Muskoka Lakes area from the Georgian Bay area. The alternative way of doing this would use an east-west rather than a north-south dividing line, placing Freeman with the northern part centered on Port Carling, and Baxter and Gibson with the southern part centered on Bala.

being only about 50% greater than the smallest (the east municipality), whereas among the six smaller municipalities, the greatest - Muskoka Lakes - has over three times the assessment of either the Georgian Bay or the Lake of Bays areas. Yet with assessment being pooled for education and for all the services which the Regional Government will handle, such disparities in the tax base will not be nearly so important in future as in the past.

In terms of economies of scale, the three very large municipalities would each have a larger staff, permitting more specialization and division of labour; and of course there would be roughly half as much duplication with three municipalities as there would be with six. On the other hand, each of the three municipalities would have a very large area to service, and this could introduce certain diseconomies. Undoubtedly, each of the large municipalities would have to operate certain services from sub-depots in different parts of the area and this would mean a greater need for effective administrative control than in smaller municipalities. If the people and properties to be served were not dispersed over such wide areas, there is no doubt however that there would be some significant economies of scale with the larger operation; and even with a wide area to serve, it would be expected that the larger municipality would have an advantage over the smaller in this regard.

With regard to inter-municipal boundaries, there would again

be only about half the mileage of boundary required under three municipalities as under six, so it would be inherently easier to avoid future boundary conflicts. In particular, the three municipality scheme would eliminate one boundary which may well prove contentious no matter where it is drawn: that is the boundary between the two southern municipalities centered respectively on Bracebridge and Gravenhurst. Yet with the transfer of numerous functions to an upper tier government, inter-municipal boundaries will not have as much importance in future as they have had in the past, so there should be less likelihood that annexation issues will arise.

Concerning the relative stability of the alternative schemes, it is clear that the scheme for six municipalities could some day evolve into the scheme for three by mergers. It is unlikely on the other hand, that if the scheme for three municipalities were adopted, the number would either be increased again or reduced; three is felt to be the minimum number of lower-tier municipalities that would be feasible in an area as large as Muskoka, and the unsuitability of a single tier, single municipality scheme, particularly if a larger Region is ultimately formed, has already been discussed. Thus, three municipalities are likely to be generally considered a lasting and permanent arrangement, whereas some may come to regard a six municipality scheme as an interim arrangement which must some day be reduced in number through amalgamations. Anyone familiar with the history of Metropolitan Toronto will be aware of the disruptive effect such pressure

for subsequent amalgamation can have on the smooth working of local government machinery. Yet this factor again should not be overrated; it has not prevented Metropolitan Toronto from doing its job, and indeed, if such subsequent change is to come, it may well take a more satisfactory form if it is evolved in the light of experience over time. And of course, in the dispersed setting of Muskoka, a lower tier of six or seven municipalities might function well enough that such pressure for a reduced number would not develop, at least for many years. If it should come, it is perhaps more likely to result from the inequalities in population and assessment evident among the six, than from a desire for larger size per se.

If a larger Region should ultimately be established, the existence of six or seven lower-tier municipalities in Muskoka would favour a similar pattern elsewhere in the Region, leading to an ultimate lower tier of perhaps ten to fifteen municipalities. While this would not be unworkable, and may perhaps be required for the large area to be served, it would create a more complex two-tier government with greater difficulties in coordinating the lower tier, than if fewer municipalities were involved. So again the three municipality scheme would appear preferable; still there is no reason why a Regional Government comprising ten to fifteen lower-tier municipalities should not work well, although to put the matter into perspective, it should be noted that the legislation for

Regional Government in Niagara involves twelve lower-tier municipalities for a regional population of nearly a third of a million people, while the Regional Government proposal for Peel-Halton includes only six or seven lower-tier municipalities (depending on whether Burlington is included or not) for a population of nearly 400,000. Each of these regions is however, smaller in territorial extent than the District of Muskoka.

Considering the balance of interests within an area municipality, the three large municipalities would each comprise a greater diversity of interests than the six smaller ones. This would be particularly true in the east municipality, which would combine the urban-centered area around Huntsville with the Lake of Bays cottage and resort area, and in the south municipality which would bring the similar but often competing centres of Gravenhurst and Bracebridge together along with a large surrounding rural hinterland with considerable cottage development. In the case of the proposed west municipality, it is all essentially tourist-oriented, even in the case of the urban centres of Bala and Port Carling, which lack the industrial base and the larger year-round populations found in Gravenhurst, Bracebridge and Huntsville. But the west municipality does combine the somewhat diverse interests of the Muskoka Lakes area and the Georgian Bay area.

Indeed, it is precisely the reluctance of these various diverse

interests to be combined that emerges as the strongest argument against the scheme for three large municipalities. And this reluctance of course springs from a strong sense of community identity, and points up the inherent conflict between the first and second criteria proposed by the Ontario Committee on Taxation and adopted by Design for Development - Phase Two: the criteria requiring a "sense of community identity" and a "balance of interests". For the submissions to the Review reveal a strong reluctance by those who feel a "sense of community" in the Muskoka Lakes area to "balance their interests" with those of the urban centres of Bracebridge and Gravenhurst; and the cottagers of Georgian Bay indicate a similar reluctance to balance their interests with those of the Muskoka Lakes area on the one hand, or those of the year-round settlement of MacTier on the other. In addition, the reluctance of many of the rural townships to balance their interests with those of Bracebridge, Gravenhurst, or Huntsville, by joining with them to form larger municipalities, is undoubtedly a major reason behind their proposal to retain all the present municipalities.

Thus, when measured against most of the criteria, including the "balance of interests", the scheme for 3 large municipalities would seem clearly preferable over the proposal for 6 smaller ones. But when we consider the "sense of community identity", and the related criterion of "community acceptability" it is equally clear that the scheme for 3 large area municipalities would meet with strong opposition. This is not to say

that the scheme does not also have significant support, for it has been proposed by the Council of Medora and Wood and by the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations; but it is opposed by the Councils of Gravenhurst, Bracebridge, Huntsville, Bala and Port Carling among those which favour fewer and larger area municipalities, and would presumably be more strongly opposed than the scheme for 6 municipalities by those in favour of retaining all the present municipalities on the lower tier. Similarly, the submissions from Baxter, Gibson and Freeman indicate a strong desire to share their community of interest in a municipality oriented to Georgian Bay, and a corresponding reluctance to be joined with the Muskoka Lakes area in a single municipality.

Since acceptability, in the final analysis, is what self-government is all about, it is an illusion to think that an "ideal" system of government will work in an ideal way without a basic minimum of community acceptance. A scheme that is generally supported, though it may not meet certain ideals, does meet the basic ideal of acceptability, and is likely to work better in practice than a theoretically preferable scheme which lacks public support.

From the submissions received by the Review and subsequent reports in the local press, it is clear that there is a strong body of opinion in favour of retaining all present municipalities on the lower tier; I am convinced however that majority opinion in the District is in favour of a

reformed lower tier comprising fewer and larger area municipalities. But this majority is divided in the different schemes that it supports, and if it is to be effective, a common denominator must be found in the form of a scheme which can receive general support from all those favouring fewer and larger lower-tier municipalities. Thus the need is for a set of area municipalities which those in favour of reform can agree on as an acceptable solution and give their undivided support.

In my opinion, in spite of several advantages, the proposal for three large lower-tier municipalities would not be generally acceptable, and if imposed, would not prove capable of working harmoniously in the best interests of the people of Muskoka. In the south municipality for instance, there is no strong local feeling of any need to unite Bracebridge and Gravenhurst, and there is strong enough opposition to such a move in both towns to make it likely that a common council would be torn by dissension over many issues. In the light of the division of functions proposed later in the report which would make area-wide matters the responsibility of the upper-tier government, few matters to be dealt with at the lower tier will be of common concern to both Bracebridge and Gravenhurst, and to make one council deal with all the separate local problems of each would hardly be efficient. And although there would undoubtedly be some economies of scale in a single administration as opposed to two, it is likely that separate municipal offices would still have to be maintained in both Brace-

bridge and Gravenhurst, increasing the difficulty of administrative control, and offsetting much if not most of any saving gained through the pooling of resources. Again, to place the issue in perspective, it should be noted that the distance between the downtowns of Port Arthur and Fort William which are being merged into the City of the Lakehead, is only a little over half the distance between Gravenhurst and Bracebridge; and the twin Lakehead cities were 15 times as populous as the twin Muskoka towns.

Similarly in the proposed large east municipality it is significant that the councils of all the existing municipalities except Huntsville want to retain all the present municipalities on the lower tier: while they would therefore be opposed to the creation of any larger units, it seems likely that their opposition would be greater to a single very large municipality than to two smaller ones for the area. And with Huntsville itself opposed to merging the Lake-of-Bays area with the area centered on Huntsville, it is again unlikely that a single council for this whole area would function harmoniously. Indeed, there is a sharp contrast evident in the submission from the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations between the proposal to separate the Muskoka Lakes area from the Bracebridge-Gravenhurst area, and the proposal to unite the Lake of Bays area with the Huntsville area. Clearly if the arguments advanced in support of the former separation are valid, - viz: that the interests of the lakes are different from those of the towns particularly in the field of planning - then these arguments

should apply also to support the separation of the Lake of Bays from Huntsville.

Turning to the proposed large west municipality, reluctance was again expressed in most of the submissions from the Georgian Bay area to the inclusion of this area in a single municipality along with the Muskoka Lakes. In this case of course it is essentially the interests of two groups of cottagers which are felt to be divergent, because of differences in the kind of area in which their respective cottages are located. These differences should not be overestimated, but they lend some support to the fear of those in the Georgian Bay area that Muskoka Lakes' problems would tend to preoccupy a single council over both areas, resulting in insufficient attention to the particular problems of Georgian Bay.

In the light of all these considerations, I am forced to conclude that the scheme for only three lower-tier municipalities would not work well, and hence would not serve the best interests of Muskoka.

Turning now to the Muskoka Lakes area itself, the question of whether it should be divided into two parts, one including Bala, and the other Port Carling, or whether it should be united in a single area municipality, is really the remaining issue as between 6 or 7 municipalities for the lower tier. In this case, though opinion within the area is again divided, there seems no doubt that it is preponderantly in favour of uniting

the Lakes in one municipality. Thus, of all the submissions from the Muskoka Lakes area supporting fewer and larger lower-tier municipalities, only the joint brief from Bala and Port Carling urged that the area be divided, while the submissions from the Councils of Medora and Wood and Monck - representing greater numbers of both permanent and seasonal population than reside in Bala and Port Carling - are strongly in favour of a single municipality comprising most or all of the Muskoka Lakes area. And of course the proposal to unite the Lakes is very strongly supported by the Muskoka Lakes Association, representing cottagers throughout the area. Thus, although the territory involved is quite large (though not significantly larger than the proposed area municipalities around Gravenhurst, Huntsville, and Georgian Bay), and although there is obviously some merit in the Bala and Port Carling proposal that each area municipality should have an identifiable urban centre, it seems clear that there is a strong feeling of community identity throughout the Muskoka Lakes area, and that a single municipal council should therefore function well. Indeed, to divide this area into two municipalities would undoubtedly meet with resistance as strong as that which would be encountered if the Bracebridge-Gravenhurst or Huntsville-Lake of Bays areas were united.

Thus, it would appear that the scheme for 6 lower-tier municipalities, which unites the Muskoka Lakes area, is clearly preferable to the scheme for 7 municipalities which would divide that area.

The advantage of six municipalities over three depends on the relative weight given to certain economies of the larger-scale units on the one hand, and to the vital matter of community identity and acceptability on the other. I am convinced that the latter is of crucial importance not only to the initial acceptance of fewer and larger lower-tier municipalities, but also to the effective working of Regional Government in Muskoka, particularly during its early years. And the evidence clearly suggests that the scheme for six municipalities should receive strong support, for it meets the essential requirements of each area in the District as expressed in the key submissions made to the Review.

Thus, except for some boundary adjustments, the scheme accommodates the proposals made by Gravenhurst, Muskoka Township, Bracebridge, and Huntsville that there be an area municipality centered on each of the three larger towns. The scheme would also unite the Muskoka Lakes area in general conformity with the proposals from Medora and Wood, Monck and the Muskoka Lakes Association. And it would unite the Lake of Bays area, which is taken to be the main concern of the Lake of Bays Association, although it would stop short of combining this area with Huntsville.* The scheme also breaks this east area into two units

* It is suspected that the Associations' proposal to unite the Lake of Bays and the Huntsville areas was adopted more for the sake of creating a large enough unit here to balance the large unit being proposed for the Muskoka Lakes area, and not because of any strong feeling of common interests between the Lake of Bays and Huntsville. For reasons to be discussed later in the report, I do not feel that inequality among the area municipalities is a matter of such great consequence.

of reasonable size which it is hoped the municipalities opposing larger units may find less objectionable than a single large east municipality. And finally, the scheme recognizes the special character of Georgian Bay as urged in virtually all the submissions from that area. It should also be noted that the scheme meets the desire of Windermere and Cardwell, if they cannot keep their present municipal status, to be associated with the Muskoka Lakes area rather than to the east.

In spite of these indications of support however, the scheme will undoubtedly be opposed not only by those who wish to retain all the present municipalities, but also by those who feel it does not go far enough in reducing the number of municipalities. To the arguments already presented, I can only add that with the transfer of responsibility for area-wide functions to the upper tier, a reduction in the number of municipalities from 25 to 6 should create new units large enough to be efficient yet small enough to remain close to the people. To go farther would lose more in support than would be gained in efficiency; to not go as far would fail to create a fully capable lower tier.

Ultimately of course, some further consolidation might take place, and clearly if sufficient local support has developed for it such subsequent change would be desirable. But I do not feel it likely that further consolidation will prove either necessary or desirable for several

years at least, so that the initial scheme should be stable for a considerable period. And should further consolidation prove desirable, the fact that the six municipalities can be paired in turn so as to create five, four or three, would permit such subsequent changes to be made with a minimum of disruption to the system of Regional Government.

Accordingly, I strongly recommend that:

THERE BE SIX LOWER-TIER MUNICIPALITIES,
CENTERED RESPECTIVELY ON THE GRAVENHURST
AREA, THE BRACEBRIDGE AREA, THE HUNTSVILLE
AREA, THE MUSKOKA LAKES AREA, THE LAKE OF
BAYS AREA AND THE GEORGIAN BAY AREA.

Inter-Municipal Boundaries

Between the Georgian Bay Municipality and Muskoka Lakes Municipality

In general the western boundary of the present Township of Medora and Wood would seem to be in a satisfactory location for this division. This would place all of Freeman, Gibson and Baxter in the Georgian Bay municipality.

The only issue is whether the settlement of MacTier in Freeman should be in the Georgian Bay or the Muskoka Lakes municipality. Some of the submissions from Baxter and Gibson, while urging that the western

portion of Freeman should be included in a Georgian Bay municipality, were reluctant to have MacTier included. The Freeman submission on the other hand was strongly opposed to separating MacTier from the remainder of the township and urged that all of Freeman should be included with Gibson and Baxter in the proposed Georgian Bay municipality.

I think the basic consideration here is the relatively small permanent population in the Freeman-Gibson-Baxter area and the relatively large cottage population. If viable local government is to be established I believe it is important that it have a permanent population basis; to remove MacTier would significantly reduce the number of year-round residents in the proposed municipality. In addition, it would leave almost all the remaining year-round population concentrated in the southwestern portion of Baxter, whereas the inclusion of MacTier provides a settlement base at the other end of the Georgian Bay municipality as well. Also, the only part of the proposed municipality with any experience in local government is Freeman, and the Freeman councillors and municipal buildings and staff are all concentrated in the MacTier area.

Admittedly to get the permanent populations of Baxter and Freeman to work together with the cottage population in the best interests of the Georgian Bay municipality as a whole, will not be easy. But this is precisely what must be accomplished if the problems of the area are to be met.

Accordingly I recommend that:

THE BOUNDARY BETWEEN THE GEORGIAN BAY
MUNICIPALITY AND THE MUSKOKA LAKES MUNICI-
PALITY FOLLOW THE PRESENT WEST BOUNDARY OF
THE TOWNSHIP OF MEDORA AND WOOD.

Between the Muskoka Lakes Municipality and the
Municipalities Centered on Gravenhurst, Bracebridge
and Huntsville

This is a more contentious line to draw, for in their concern to bring all the Muskoka Lakes into one municipality, the submissions from both the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations and the Township of Monck proposed that all of the Lake Muskoka shoreline and its immediate hinterland be placed with the Muskoka Lakes municipality. To do this would of course cut off the municipalities centered on Gravenhurst and Bracebridge from Lake Muskoka, by drawing the boundary through the present Townships of Muskoka and Monck. The proposals from Gravenhurst, Muskoka Township, Bracebridge and Medora and Wood on the other hand, would follow the present east boundary of Medora and Wood Township which passes through the waters of Lake Muskoka. Muskoka Township did suggest however that the southeastern portion of Wood Township might logically be included with the area municipality centered on Gravenhurst, because access to this area is from the east; the Medora and Wood representatives agreed with this latter suggestion at the public hearings,

so it is not a contentious issue.

The proposal to include the eastern shore of Lake Muskoka with the Muskoka Lakes municipality is contentious however. It is based on the argument that the whole of Lakes Joseph, Rosseau and Muskoka should be under one municipality for purposes of planning, development control and pollution control. Even though their submissions also proposed giving primary responsibility for these functions to the upper-tier government, both Monck and the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations also feel it is necessary that the one municipality contain all the shoreline, because the lower-tier municipalities will advise on planning and assist in implementing the necessary controls. Their concern therefore is that if a part of the Muskoka Lakes is placed under other municipal jurisdiction, the quality of the planning decisions and the effectiveness of controls in that part may not measure up to the standards adopted for the rest of the lakes. The argument is that, faced with conflicting planning advice or implementing procedures, the Regional Council may tend to compromise, and such compromise would undermine effective measures for the lakes as a whole.

The boundary proposed as a result of this reasoning would take areas immediately adjacent to Gravenhurst and Bracebridge and make them dependent for local municipal services on the lake-centered municipality rather than on the urban-centered ones. This would seriously distort the

logical pattern of service areas around Gravenhurst and Bracebridge.

Although I am in complete sympathy with the aim of effective planning and pollution control for the lakes, I believe that any Regional Council in Muskoka will also be sufficiently concerned with this aim to ensure that it is not jeopardized by any area municipality. Thus, provided primary responsibility for planning, development control and pollution control is vested in the upper-tier government, I am not convinced that there is a case for drawing a municipal boundary which would be quite illogical for the provision of lower-tier services.

On the other hand, the inclusion of all of Monck in the Bracebridge-centered municipality, as proposed by Bracebridge, would in my view, be equally illogical, for the major part of Monck is more oriented to the lakes than to Bracebridge, and can be readily serviced from the Port Carling area.

In considering the Township of Monck, it is clear from what has been said above that I am convinced it must be divided if logical service areas are to result. Taking into account the Monck and Bracebridge submissions, I am of the opinion that the division should be such as to place that portion of the east shore of Lake Muskoka which lies generally to the west of Bracebridge in the area municipality centered on Bracebridge, and to place the remaining and major portion of the Monck shoreline in

the Muskoka Lakes municipality. Lake Leonard and Lake Blanchard which drain into Lake Muskoka should also be included with the Muskoka Lakes area, but the development along Highway 532 to the north of Bracebridge, and the drainage basin extending from the height of land just south of Blanchard Lake to the North Muskoka River which could some day be served by extension of the Bracebridge sewage system, should be included in the area municipality centered on Bracebridge.

The boundary recommended below attempts to achieve a logical division of Monck by separating the portion primarily oriented to Bracebridge from that primarily oriented to the rest of the Muskoka Lakes area.

Moving farther to the north, the submissions from the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, Monck, Huntsville, Bala, Port Carling, Windermere and Cardwell were all in agreement that the area to the east of Lake Rosseau, including Three Mile Lake and Skeleton Lake, is more oriented to the Muskoka Lakes than to the east. I support this position.

Accordingly I recommend that:

THE EASTERN BOUNDARY OF THE MUSKOKA LAKES
MUNICIPALITY, COMMENCING AT THE SOUTH BOUNDARY
OF THE DISTRICT OF MUSKOKA, FOLLOW THE LINE

BETWEEN LOTS 8 AND 9 IN THE TOWNSHIP OF WOOD NORTHERLY TO ITS INTERSECTION WITH LAKE MUSKOKA: THENCE THROUGH LAKE MUSKOKA SOUTH AND EAST OF BROWNING ISLAND AND EILEAN GOWAN ISLAND, TO CEDAR BAY (SOMETIMES REFERRED TO AS BOYD BAY) ON THE EAST SHORE OF LAKE MUSKOKA: THENCE EAST FROM THE SHORE OF CEDAR BAY ALONG THE LINE BETWEEN CONCESSIONS IV AND V IN THE TOWNSHIP OF MONCK AND NORTH ALONG THE LINE BETWEEN LOTS 4 AND 5 TO THE NORTH BOUNDARY OF MONCK: THENCE EAST ALONG THAT BOUNDARY THEN NORTHERLY ALONG THE BOUNDARY BETWEEN WATT AND STEPHENSON AND EASTERLY ALONG THE LINE BETWEEN CONCESSIONS III AND IV IN THE TOWNSHIP OF STEPHENSON: THENCE NORTHERLY ALONG THE LINE BETWEEN LOTS 7 AND 8 IN THE TOWNSHIPS OF STEPHENSON AND STISTED TO THE NORTH BOUNDARY OF THE DISTRICT OF MUSKOKA.

Between the Municipality Centered on Gravenhurst
and the Municipality Centered on Bracebridge

The submissions from Gravenhurst and Muskoka Township proposed that all of the Township of Muskoka be included in the area municipality centered on Gravenhurst, and the former submission also proposed

the inclusion of all of Draper. The Bracebridge submission on the other hand, proposed a boundary commencing at Lake Muskoka thence easterly between Concessions X and XI, southerly between Lots 10 and 11 and easterly between Concessions VII and VIII in the Township of Muskoka and between Concessions VII and VIII in the Township of Draper to the intersection of this line with the south branch of the Muskoka River, thence along the river to the east boundary of Draper and then north along that boundary.

Thus there is a significant difference between these alternative proposals, and the area of disagreement contains a considerable amount of existing industrial assessment and a significant potential for future industrial development, so that the issue is a contentious one.

In deciding such matters however, primary consideration must be given to logical urban service areas rather than assessment, if a sound system of local government is to be established. Because of the key role sewers and watermains play in shaping the growth of an urban centre and knitting it together, the logical areas for extension of these services in particular should be considered when drawing a boundary between two urban-centered municipalities.

Clearly, the proposal to include all of Muskoka and Draper Townships in the municipality centered on Gravenhurst would place an area

which must receive its services from one urban centre under the jurisdiction of another. This would be an unworkable arrangement, bound to result in annexation proceedings sooner or later, and accordingly I cannot recommend it.

It is necessary therefore, to divide both Muskoka and Draper Townships so as to separate the logical service areas for Gravenhurst and Bracebridge. The line proposed by Bracebridge is "along the line of the existing fire agreement between the Town of Bracebridge and the Township of Muskoka", and so includes an area in Muskoka Township presently provided with fire protection service from Bracebridge. This line cuts through Muskoka Airport, generally regarded as about half way between the two towns, so that looking to future fire protection arrangements this would seem to be a logical division. With regard to the natural drainage basin which may some day be served by extension of the Bracebridge sewer system the line proposed by Bracebridge goes somewhat beyond the watershed, which in the vicinity of Highway 11 extends only to about the north limit of the airport. The airport area however, is not within the drainage basin which may be served by an extension of the Gravenhurst sewer system, but would likely require the construction of another sewer system, or the pumping of sewage into the Bracebridge system, if this area were ever to be sewered. This may seem a remote possibility, although the role the airport may play in generating future development should not

be overlooked.

In any event, I do not believe it would be wise to draw a boundary that would bisect the airport. The height of land marking the southern limit of the watershed to the North Muskoka River lies immediately north of the airport however, and runs just south of the line between Concessions IX and X in the Township of Muskoka. A boundary drawn along this line would therefore stop short of the airport, while placing practically all of the area potentially served through extension of the Bracebridge sewer system in the municipality centered on Bracebridge. Such a boundary would also intersect Highway 11 approximately at its juncture with Highway 11A, generally regarded as the entrance to the greater Bracebridge area. Extension of this line westerly to Lake Muskoka would leave the Muskoka Beach area in the area municipality centered on Gravenhurst, which is considered logical. Extension of such a line easterly through the Township of Draper would place Spence Lake with the Bracebridge-centered municipality but would leave all of the south branch of the Muskoka River through Draper in the Gravenhurst-centered municipality. This would go against the Bracebridge proposal that the river be used as the boundary through the major part of Draper, and I believe it would be preferable because where possible, the lower-tier role in planning and development control for both sides of a river should be made the responsibility of one municipality.

The line proposed through Draper would still place approximately the northern one-third of that township with the Bracebridge-centered municipality. While it would be possible to separate a smaller portion than this for inclusion with Bracebridge, I am convinced this would be unwise in the long run; first, because the Spence Lake-Muskoka Falls area, upstream and in proximity to Bracebridge, cannot logically be considered part of a municipality oriented to Gravenhurst; second, because access to the northern portion of Draper is primarily from the Bracebridge and Macaulay areas; and finally, because even with such an extension, the proposed municipality centered on Bracebridge is still smaller in area than any of the other municipalities proposed.

Accordingly I recommend that:

THE BOUNDARY BETWEEN THE MUNICIPALITY CENTERED ON GRAVENHURST AND THE MUNICIPALITY CENTERED ON BRACEBRIDGE FOLLOW THE LINE BETWEEN CONCESSIONS IX AND X ACROSS BOTH THE TOWNSHIP OF MUSKOKA AND THE TOWNSHIP OF DRAPER.

Between the Municipality Centered on Bracebridge
and the Municipality Centered on Huntsville

The submissions from both Bracebridge and Huntsville were in agreement in proposing a boundary along the line between Concessions III

and IV in the Township of Stephenson. This would place the major part of Stephenson along with Port Sydney in the proposed area municipality oriented to Huntsville, but would give the area oriented to Bracebridge jurisdiction over the north branch of the Muskoka River to a point just south of Port Sydney; as residential development along the river is increasing and is more logically served from Bracebridge than from Huntsville, this proposal appears logical. The suggested boundary also falls approximately half-way between Bracebridge and Huntsville along Highway 11, and would therefore appear to be the most rational line of division.

Accordingly I recommend that:

THE BOUNDARY BETWEEN THE MUNICIPALITY CENTERED
ON BRACEBRIDGE AND THE MUNICIPALITY CENTERED
ON HUNTSVILLE FOLLOW THE LINE BETWEEN CONCES-
SIONS III AND IV IN THE TOWNSHIP OF STEPHENSON.

Between the Municipality Centered on Huntsville
and the Municipality Centered on the Lake of Bays

The only submission making a specific proposal for this boundary was received from Huntsville. This submission proposed the continuation of the line between Concessions III and IV across Stephenson, through Brunel, then north along the east boundary of Brunel and thence to the east following the line between Concessions XI and XII through the Township of Franklin. This would therefore leave the southern three concessions

of Brunel with the Lake of Bays area, and place the northern three concessions of Franklin including Peninsula Lake, with the area municipality centered on Huntsville. In Huntsville's view, the line should come between Peninsula Lake and the Lake of Bays, because the former, along with Lake Vernon, drains into Fairy Lake and thence through Mary Lake into the north branch of the Muskoka River, while the Lake of Bays, some one hundred feet higher in elevation than Peninsula Lake, drains through the south branch of the Muskoka River.

I am of the opinion that this is a sound reason for separating Peninsula Lake from the Lake of Bays area; but the line suggested by Huntsville along the east boundary of Brunel would come very close to the Lake of Bays shoreline for a distance of a mile or two, and would leave a small adjacent tributary lake - Dreamhaven Lake - out of the Lake of Bays municipality. I believe it would be preferable therefore, to move this line slightly to the west, and accordingly I recommend that:

THE BOUNDARY BETWEEN THE MUNICIPALITY CENTERED ON HUNTSVILLE AND THE MUNICIPALITY CENTERED ON THE LAKE OF BAYS, FOLLOW FROM WEST TO EAST THE LINE BETWEEN CONCESSIONS III AND IV IN THE TOWNSHIP OF BRUNEL TO THE LINE BETWEEN LOTS 30 AND 31, THEN NORTH ALONG SAID LOT LINE TO THE LINE BETWEEN CONCESSIONS XI AND XII, AND THENCE EASTERLY ALONG

THAT CONCESSION LINE THROUGH THE TOWNSHIPS OF
BRUNEL AND FRANKLIN TO THE EAST BOUNDARY OF
THE DISTRICT OF MUSKOKA.

Between the Lake of Bays Municipality and the
Municipalities Centered on Bracebridge and on Gravenhurst

The Bracebridge proposal was indicated as the boundary line between Macaulay and McLean and between the southern portions of Stephenson and Brunel, but the submission noted that this existing boundary was used as a matter of convenience and that the natural boundary might extend some four or five Lots further to the east. I do not feel this is a vital issue, and where there is no compelling reason to divide a present municipality it is preferable not to do so. Accordingly, I recommend that:

THE BOUNDARY BETWEEN THE LAKE OF BAYS MUNICI-
PALITY AND THE MUNICIPALITY CENTERED ON BRACE-
BRIDGE FOLLOW THE PRESENT BOUNDARY BETWEEN
THE TOWNSHIPS OF MACAULAY AND MCLEAN AND
BETWEEN THE SOUTHERN PORTIONS OF STEPHENSON
AND BRUNEL.

The Gravenhurst submission proposed that the whole of the Township of Oakley be included in a Gravenhurst-centered municipality, and since access to Oakley is principally through the portion of Draper proposed to remain with Gravenhurst, I feel there is again no compelling reason

to divide Oakley.

I therefore recommend that:

THE BOUNDARY BETWEEN THE LAKE OF BAYS
MUNICIPALITY AND THE MUNICIPALITY CENTERED
ON GRAVENHURST FOLLOW THE PRESENT NORTH
BOUNDARY OF THE TOWNSHIP OF OAKLEY.

The boundaries which have been described above are shown on Plate 4. They represent an attempt to establish a viable set of lower-tier municipalities, each with a sense of community identity and the potential to function efficiently as municipalities. Wherever possible, the division of existing municipalities has been avoided, but where it is deemed essential to divide a present municipality in order to avoid future annexation conflicts, the boundary regarded as most suitable in the long run has been chosen rather than a more expedient compromise.

Population and Assessment in the Proposed Municipalities

As mentioned previously Table 4 shows the estimated population and assessment in the proposed municipalities. The assessment figures given are 1968 for 1969 taxation, equalized to market value using the 1968 equalization factors; tax-equivalent assessments on exempt properties which

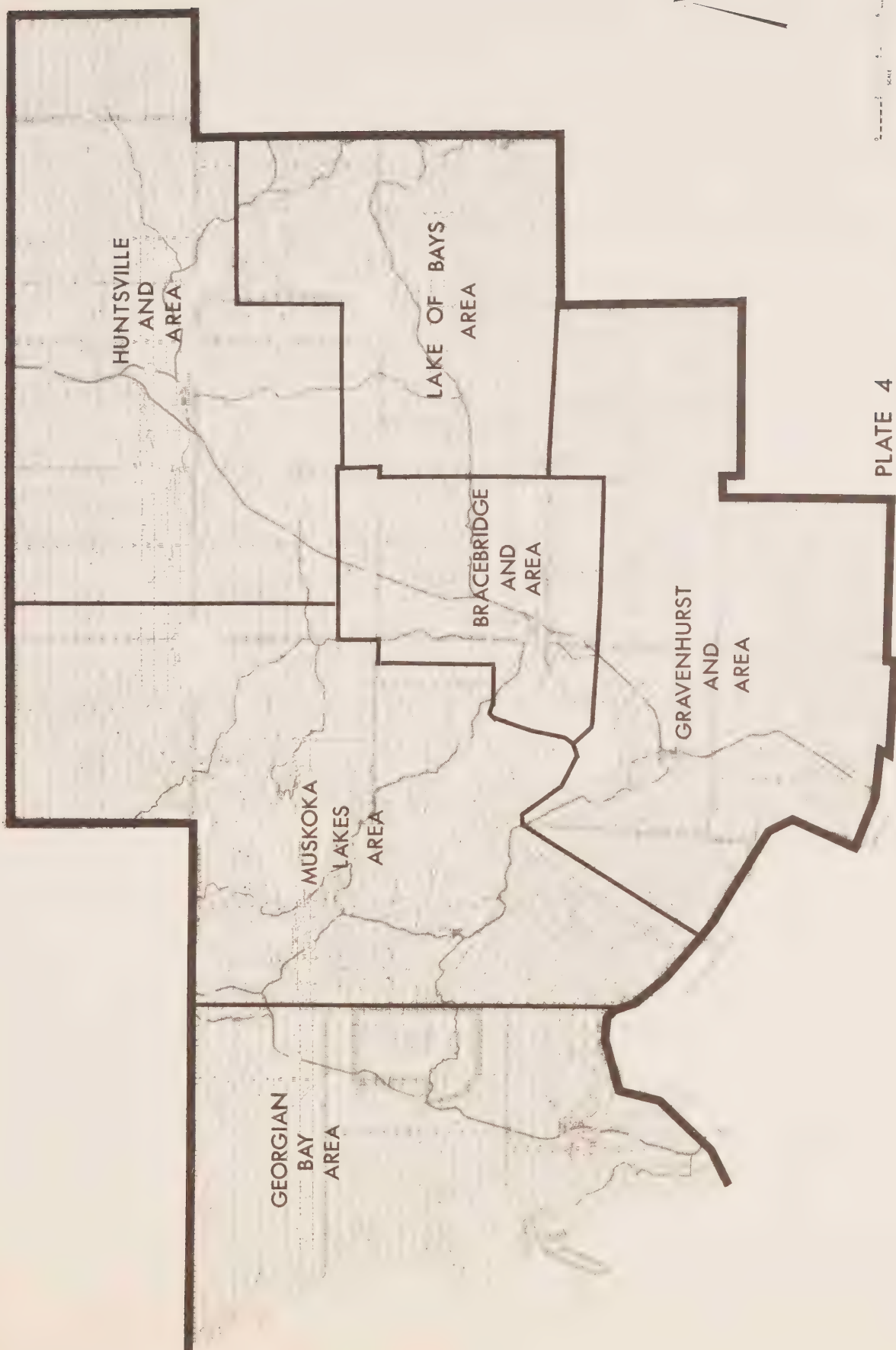


PLATE 4

PROPOSED AREA MUNICIPALITIES

pay grants in lieu of taxes have been included. The present permanent population figures are from the 1968 assessment rolls while the figures for present cottage population are derived from the 1966 cottage count which was presented in the Research Report, using a factor of four persons per cottage and assuming 100% occupancy.* The estimated future population figures are derived from the forecasts given in the Research Report, using the same assumptions with regard to cottage occupancy.

From the figures in the table, it is clear that although there is a considerable range, every one of the proposed municipalities has a tax base equivalent to at least \$33 million in market value. In terms of present permanent and cottage population combined, it will also be noted that all the proposed municipalities meet the minimum population size criterion of 8,000 suggested in "Design for Development-Phase Two", although if permanent population alone is considered only one of them - the area municipality centered on Huntsville - meets the criterion, with the munici-

*The cottage population estimate given in the Research Report was based on 4.6 persons per cottage at 80% occupancy. For purposes of determining representation however, it is felt (a) that the ratio of 4.6 persons includes visitors, and should be reduced accordingly, and (b) that all cottage owners should be included when considering representation, even though at any given time during the summer some of them will not be present. The fact that some cottages are only rented to a series of short-term vacationers is not taken account of in the calculations; however this will merely tend to partially offset the omission of cottages constructed since the 1966 survey. Obviously, a more accurate and current count of cottage population would be highly desirable.

palities centered on Bracebridge and Gravenhurst each being short by about 2,000, and the remaining three vacation areas falling still further short of the target. In the future however, the permanent populations in the Gravenhurst and Bracebridge centered municipalities are expected to closely approach the desirable minimum, the Muskoka Lakes municipality should have about half the desirable number, and the Georgian Bay and Lake of Bays municipalities should each contain close to a quarter of the minimum. The combined permanent and cottage populations in the future will in each case exceed the minimum by a fair margin.

Admittedly, the proposed municipalities are not equal either in assessment or population. But the range is reasonable, and indeed, more limited than found among the lower-tier municipalities in any of the other Regional Governments established or proposed to date.

It is hoped that this will provide a sound basis for a workable and equitable system of representation.

Municipal Status

It is considered that the proposed area municipalities centered on Gravenhurst, Bracebridge, Huntsville and the Muskoka Lakes, each comprising one or more urban centres, should have the status of Towns, while the Georgian Bay and Lake of Bays municipalities, lacking any urban centres, should more properly be classified as Townships, for purposes

of the Municipal Act and other Acts. In the event that provisions in any Act stand in the way of implementing the recommended changes in local government however, the legislation establishing the new system of government should prevail. Special arrangements to deal with the effect of status changes on provincial grants will be considered in Chapter 14.

It is therefore recommended that:

THE AREA MUNICIPALITIES CENTERED ON GRAVENHURST, BRACEBRIDGE, HUNTSVILLE AND THE MUSKOKA LAKES BE GIVEN THE STATUS OF TOWNS, AND THE GEORGIAN BAY AND LAKE OF BAYS MUNICIPALITIES THE STATUS OF TOWNSHIPS.

Municipal Names

The names used on Plate 4 and Table 4 are not intended as recommended names for the proposed area municipalities. It is thought that the choice of names for the new units should be a matter left to the area councils, and accordingly I recommend that:

THE NAMES OF THE NEW AREA MUNICIPALITIES BE CHOSEN BY THE RESPECTIVE AREA COUNCILS.

CHAPTER 9
METHOD OF ELECTION

This chapter deals with the questions of direct versus indirect election, method of selecting the Regional Chairman, term of office, the extended franchise, and election procedures. The question of representation, and the composition of the upper and lower-tier councils will be dealt with in the next chapter.

Direct Versus Indirect Election of Regional Councillors

The Preliminary Recommendations Report proposed that members of the upper-tier council be indirectly elected, i.e. they would sit on the Regional Council by virtue of their positions as heads or deputy heads of the lower-tier councils. The submissions to the review from Huntsville, Medora and Wood, Port Sydney, Brunel, Cardwell, Chaffey, Franklin, McLean, Stephenson, Stisted, Watt, Freeman, Macaulay, Oakley, Ridout, Ryde, and the Gibson-Baxter committee supported this position, although in the case of Huntsville the council indicated that it would not oppose four or five of the Regional Councillors being directly elected at large. On the other hand, the submissions from Bracebridge, Gravenhurst, Muskoka Township, and the Muskoka Law Association proposed a mixture of direct and indirect election in various proportions, while the Township of Monck and the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations proposed

that all members of the Regional Council be directly elected, although the latter submission suggested that a candidate be permitted to seek election to both the upper-tier and a lower-tier council if he chose to.

The chief concerns expressed over indirect election are the workload that it places on Regional Councillors, who also have important responsibilities on their local council, the tendency it can have to preserve parochial attitudes on the Regional Council, and the fact that all elections are local ones in which local rather than regional issues are likely to receive most attention and determine the outcome. The main concerns over direct election are that it creates an upper-tier government quite separate from the lower-tier governments, that both can claim to be the true representative of the people, that coordination of the two tiers is not automatic but requires special efforts to inform and convince each tier of the intentions of the other, and that if serious differences develop there is no way of resolving the conflict. If party politics enter the municipal field, the possibility of different parties having power at the two tiers could intensify these difficulties.

Thus, this is again one of those issues on which strong arguments can be mustered for either choice. There is, in Ontario, a great deal of experience with the method of indirect election used in the Counties, in Metropolitan Toronto, and more recently in the Regional Municipality of Ottawa-Carleton. This experience proves that the system can work

harmoniously, but its opponents claim the experience also shows that area-wide concerns are too often subordinated to local interests.

It is generally assumed that we have no comparable experience with direct election for comparison, and in a literal sense this is true. But there are four comparisons from Canadian experience which can be made, that are, I think, pertinent. The first is our long experience as a nation with direct election to two federated tiers of government: the Federal and Provincial governments. While Canada has been a notable example of a successful federated system of government, the recent history of Federal-Provincial relations shows all too clearly the difficulties of coordination and communication between the two levels which such a system must face. The second example is really in contrast, for although it too involves direct election to two levels of government, their relationship is not that of a federation, but rather one in which the lower level is clearly subordinate to the upper. The example I am referring to is of course given by Provincial and Municipal governments in Canada. On the whole, I believe experience shows this relationship to have been very successful. Certainly, the ability of our Provincial governments to bring about needed reforms in local government and in the relationships between these two levels, is envied by other countries where for one reason or another, municipal governments are more independent of control by a higher authority. Thus direct election to the provincial and municipal levels

may be said to work well; but the comparison with Federal-Provincial experience would suggest that this is primarily due to the fact that their relationship is not that of a federation.

The third example is given by Metropolitan Winnipeg, where a two level system of government with direct election to each level has now been in operation for several years. The Winnipeg system has undoubtedly been successful as a form of metropolitan government. But in my opinion, it has suffered from considerably more dissension between the two levels of government than has been evident in Metropolitan Toronto.

The fourth example is closer to home, and is provided by boards of education in Ontario. For these are really separately and directly elected governments, responsible for a particular function, in the same way that separately and directly elected lower and upper-tier governments are each responsible for specific functions. And since boards of education in Ontario are in no way subordinate to municipal councils, the relationship is that of a federation, in which the units are equals, though charged with different responsibilities. The conflicts that can arise under such an arrangement - particularly over financial matters - are, I think, well illustrated by this Ontario experience.

Thus, while there are undoubted advantages of direct election in a two level system, I believe experience indicates that it is only likely to

work better than indirect election if the lower level is subordinate to the upper; in a federation, where the units are equals, but charged with different responsibilities, direct election to the two levels can too readily result in dissension and lack of coordination, with no means of resolving the differences; this is particularly likely in the case of functions that are shared between the two levels, but even where a function is given entirely to one level or the other, its inter-relationship with other municipal functions can lead to problems.

I am therefore not convinced that an entirely direct system of election to the Regional Council would work as well as indirect election. Nor do I feel that a mixed system would be significantly better. For under a mixture of direct and indirect election, dissension between the two kinds of Regional Councillors could prove a continually disruptive influence in the functioning of Regional Government.

Moreover, in Muskoka, although concern over area-wide problems is not universal, I believe it is now sufficiently widespread throughout the District that the fears of extremely parochial attitudes influencing Regional Council decisions on major problems are without foundation.

There remains however the question of the workload placed on Regional Councillors if a system of indirect election is adopted.

Admittedly, this is a problem not encountered under direct election to the upper-tier council. But I do not believe it will prove a serious problem in Muskoka for two reasons. First, as will become apparent in the next chapter, the size of both the Regional and local councils proposed will be such as to allow the workload to be distributed amongst a considerable number of elected representatives; in the case of the lower-tier councils, they will generally be large enough to permit those members who also serve as Regional Councillors to delegate a portion of the local council workload to members sitting only on the local council. Secondly, although there are many serious problems facing Regional Government in Muskoka, they are not on the scale of the problems of Metropolitan Toronto for instance, where the workload on Metropolitan Councillors resulting from indirect election has been borne now for fifteen years without a lack of capable candidates for the Metropolitan Council. Admittedly, many of the Metropolitan Councillors devote full or nearly full time to the job, but I am convinced this should not be necessary in Muskoka. Thus, while the Regional Councillors in Muskoka will undoubtedly be required to devote more time to the job than do the members of the present municipal councils, I do not believe that being a Regional Councillor need be a full-time occupation, nor that the challenge of the position will fail to bring forth sufficient capable candidates. Moreover, I believe that on the whole, such candidates will realize that in campaigning for office they are running as much or more for a position on the Regional Council as for their local council,

and that when elected, they will fulfil their regional responsibilities as conscientiously as their local ones.

The position of the Regional Chairman however, is somewhat different, in that he must speak only for the interests of the Region as a whole. I therefore feel it is inappropriate that he should be elected initially as the representative of a local municipality and only subsequently chosen as the Regional Chairman; for it may take some time for him to completely dissociate himself from the interests of the local municipality which elected him.

Accordingly, I strongly recommend that:

INDIRECT ELECTION TO THE REGIONAL COUNCIL BE
ADOPTED EXCEPT FOR THE REGIONAL CHAIRMAN.

Method of Selecting the Regional Chairman

From what has just been said, it follows that I feel the Regional Chairman should be directly elected at large. Admittedly, if he were elected by the members of the Regional Council, either from among themselves or from outside the council, there would be assurance that the man chosen would be acceptable to the Regional Councillors. But he must speak not only for the Regional Council, but also and more importantly, for the people of Muskoka, and should therefore be chosen by the people.

The task of campaigning throughout such a large area is of course, significant; but Federal and Provincial candidates do not find such campaigns unbearable, nor should a candidate for the Regional Chairmanship.

I am not convinced however, that the first Chairman should be chosen in this manner, for two reasons. First, the emotions aroused by the change to Regional Government would be likely to have an undue effect on the campaign and election of the initial chairman, and could result in a first Chairman not wholly committed to making the new system work. Second, to launch the new system effectively will require leadership of a high order, yet the people in the Region most capable of giving such leadership may be unwilling to wage an area-wide election campaign in the emotional atmosphere inevitable during such a transition. It goes without saying however, that any Regional Chairman should be a resident of the Region; but I believe this definition must include cottage owners as well as permanent residents.

Therefore I recommend that:

THE FIRST CHAIRMAN OF THE REGIONAL COUNCIL
BE APPOINTED BY THE LIEUTENANT GOVERNOR IN
COUNCIL, THAT THEREAFTER THE CHAIRMAN BE
ELECTED AT LARGE WITHIN THE REGION, AND THAT
EACH CHAIRMAN BE A RESIDENT OF THE REGION.

Term of Office

The submissions received by the Review were almost unanimous in favouring either a two or three year term of office for both tiers of government. A three year term gives the councils a greater opportunity to achieve significant results, but if the electorate is dissatisfied with what is being accomplished, there is a longer wait until such disapproval can be expressed at the polls. Again, some candidates who would be willing to take on a two year term of office may be reluctant to commit themselves for three.

On balance, however, I am inclined to the view that a three year term is more desirable, because it will facilitate the adoption and implementation of meaningful programs, particularly in the fields of planning and pollution control.

Staggered terms of office were also recommended in quite a few of the submissions, and several of the present municipalities in the District now have a staggered system in effect. Under the proposed system of indirect election however, staggered terms would I believe, add to the complexity of local government, and by continually changing some of the councillors, could interfere with the accomplishment of effective long-range programs. Staggered terms would ensure a measure of continuity, but I believe the three year term, and the likelihood that few if any of the councils will be completely changed by an election, should ensure sufficient continuity. In this connection, I note that a high proportion of the

present members of councils in the District have had five or more years of council experience, so there is an established tradition of running for two or more terms of office.

Aside from the more direct advantages of an unstaggered three year term, it should also result in considerable savings in election costs.

Accordingly I recommend that:

AN UNSTAGGERED THREE YEAR TERM OF OFFICE BE
ADOPTED FOR ALL COUNCILS IN THE REGION.

As it will be desirable that municipal and Board of Education elections be held at the same times, I further propose that:

UPON ADOPTION OF A THREE YEAR TERM OF OFFICE FOR
MUNICIPAL COUNCILS IN THE REGION, THE TERM OF
OFFICE FOR THE DISTRICT BOARD OF EDUCATION ALSO
BE MADE THREE YEARS, AND THE RESPECTIVE TERMS
BE MADE TO COINCIDE.

Depending on the date chosen for the proposed Regional Government to come into effect, the first term of the new councils may have to be of one or two years duration to come into phase with the Board of Education election date.

The Extended Franchise

Six of the present municipalities in the District have passed by-laws under the Municipal Franchise Extension Act, extending the right to vote at municipal elections for members of council to all persons 21 years and over who are British Subjects and who have resided in the municipality for at least one year in accordance with the Act. Because of the residence requirement, this extension does not apply to vacationers renting a cottage for a few weeks or a season, whose names do not appear on the assessment roll. Therefore no problems in this regard are foreseen if the extended franchise were adopted throughout the Region.

As the extended franchise is now in effect in at least some part of five out of the six proposed lower-tier municipalities, it seems clear that a decision one way or another on this matter should be made to apply throughout the Region. I am of the opinion that, with the increasing emphasis upon social services as opposed to services to property, the extended franchise is desirable. It will also have the effect of giving Treaty Indians, whose property is held in common by the Band, a voice in municipal affairs.

Accordingly I propose that:

THE EXTENDED FRANCHISE BE ADOPTED IN EACH OF
THE AREA MUNICIPALITIES, AND THAT THIS BE DONE

BY WAIVING THE REQUIREMENT IN THE MUNICIPAL
FRANCHISE EXTENSION ACT THAT THE ASSENT OF THE
ELECTORS BE OBTAINED.

Election Procedures

There are two main issues under this heading: the question of whether a summer or winter election date should be chosen, and if the latter, the question of whether some means should be adopted to facilitate voting by cottage owners.

Summer versus Winter Elections

Although two of the present municipalities - Port Sydney and Windermere - have successfully held summer elections from the time of their incorporation as municipalities, most of the submissions to the Review were opposed to summer elections, mainly because of the budgetary problems which could result; i.e. the new councils would take office about two-thirds of the way through the calendar year, inheriting a partly-spent budget. Although such budgetary problems have evidently not been serious in Windermere and Port Sydney, I believe they probably would be serious for the new councils which will have larger budgets and greater numbers of year-round residents to serve.

Accordingly I recommend that:

WINTER ELECTIONS BE ADOPTED FOR ALL COUNCILS

IN THE REGION.

Facilitating Voting by Cottagers

In the submissions to the Review, there was general agreement that some means should be adopted to make voting easier for cottagers, although opinion was divided between the postal ballot and the advance poll as the best way of doing so. Since cottage owners are expected to bear their full share of municipal taxation - and it is significant that none of the submissions from the cottager associations argued that they should not pay full taxes - I believe that some means of making it easier for them to vote should be adopted. For the customary practice of holding elections on a weekday in December makes it significantly more difficult for cottagers to cast their vote than it is for permanent residents, and although this does not deny their right to vote, it does act as a real restriction on the use of that right in the majority of cases, particularly if inclement weather is encountered on polling day.

The Advance Poll versus the Postal Ballot

The strongest opposition to adoption of the postal ballot came from the three towns of Bracebridge, Gravenhurst and Huntsville, and in each case the adoption of an advance poll was urged instead. Bracebridge proposed that nominations be held on a Saturday in November, and that the election be held on two consecutive Saturdays, the first two weeks after the nomination date, being an advance poll, and the second being the

election date. Huntsville suggested at the public hearings that an extended election period of a week or more might be adopted to give cottagers a greater opportunity of coming to the District to vote. Some of the townships, along with the Muskoka Law Association, were also opposed to the postal ballot. In all cases however, such opposition was evidently based primarily on the fear that a postal ballot would be subject to abuse and could not be sufficiently safeguarded against corrupt practises.

On the other hand, the townships of Medora and Wood, Muskoka, Draper, and Ryde along with the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, were in favour of the postal ballot; and the Village of Windermere along with the Gibson-Baxter Committee favoured either the postal ballot or summer elections. The strongest argument in favour of a postal ballot was submitted by the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, which have reached the firm conclusion that the method can be properly safeguarded against abuse.

I consider this to be an issue of some importance, not only in Muskoka and other cottage areas, but for the Province as a whole, because several other countries using the postal ballot have adopted it not primarily for cottagers, but to facilitate voting in general, either for the convenience of voters who for one reason or another find it difficult to come to the polls, or to increase public participation in elections. Thus it is suggested that

the postal ballot deserves consideration as a means of improving election participation by citizens throughout the Province and not just as a device to facilitate voting by cottagers in Muskoka.

Experience with the Postal Ballot

Considerable experience with postal balloting has now been accumulated through its use in the United Kingdom, the United States and New Zealand.

United Kingdom

In the U.K. Service Voters (members of the armed forces, Crown servants of the U.K. employed overseas, and the wives of such persons if resident overseas with their husbands) may vote by proxy in Parliamentary and local elections, and if the proxy resides in a different area than the Service Voter, the proxy can vote by mail. Postal voting in local elections may also be allowed in all Urban Districts and Municipal and County Boroughs, if the voter cannot attend in person for such reasons as illness or the nature of his work.

United States

In the U.S.A. the Federal Voting Assistance Act sets up recommended procedures for absentee voting by members of the armed forces and their dependents, members of the merchant marine and their dependents, civilian employees of the United States and their dependents, and members

of religious or welfare groups assisting the armed forces and their dependents. But while this act serves as guidance for the States, each State makes its own voting laws and these vary from State to State.

With regard to the above classes of persons as specified in the Federal Voting Assistance Act, all the States evidently accord the privilege of casting an absentee ballot by mail. In addition however, no fewer than 41 of the States extend this privilege with regard to all elections - local, State and Federal - to any qualified voter who expects to be absent on the election date; and another 4 States similarly extend the privilege to any qualified voter, but only for general, not local elections.

In some of the States, the privilege is contingent on absence being due to employment, business, illness or other such reasons, but in most States there is no such restriction, and in some cases absence on vacation is specifically included as an acceptable reason for requesting an absentee ballot.

Thus, there is extensive experience with postal balloting in both the U.S. and U.K., but in each of these countries the primary purpose of the provision is to prevent a voter from losing his franchise due to absence, rather than to lend positive encouragement to greater participation in the election process.

New Zealand

In New Zealand however, it is the latter purpose which has led to recent experiments with postal balloting in 27 rural Counties. The Minister of Internal Affairs for New Zealand, the Honourable David C. Seath, has commented as follows* on the results:

"Postal voting was first used in local body elections in 1962, when one county (Mackenzie County) conducted its election by this method. In the two ridings (an electoral subdivision) of the county where elections were necessary 90.6 percent and 88.3 percent of the electors voted, compared with 38 percent and 59 percent at the previous election in 1959. There were no local issues of sufficient importance to account for the large increase in the number of voters. The primary reason for this increase seems to have been the ease of voting for the electors although the thorough check of the rolls to ensure accuracy before the despatch of the voting papers may have been a contributing factor. The experiment in Mackenzie County reduced costs by 31 percent compared with 1959, despite increased printing and advertising costs. However, the rural nature of the districts and the comparatively small number of electors (1613) must be kept in mind.

"Postal voting was again used in the 1965 local body elections, this time by 9 counties and with the exception of Mackenzie County the voting percentages showed substantial increases over the 1962 figure. In Mackenzie County where voting was again necessary in two ridings the voting percentages dropped from 90.6 and 88.3 in 1962 to 87.8 and 87.3 respectively. In the remaining counties, none of which had conducted postal voting previously, the voting in ridings with elections of riding members ranged from 55 percent to 97 percent, percentages between 70 and 90 being the most common. On the average the cost of postal voting was approximately 30 percent less than the average cost of previous elections held in the normal manner.

*in a letter to Professor Norman Pearson.

"In 1968 postal voting was undertaken in 27 counties.....The following figures set out the percentages obtained:

POSTAL VOTING - NEW ZEALAND COUNTIES

Percentages in 1965 and 1968 elections. Asterisks indicate that postal voting was held in 1965 also (not necessarily same ridings).

	<u>1965</u>	<u>1968</u>
Akaroa	35.9	84.6
Awatere	54.1	86.9
Cook	49.3	87/77 (two riding elections, average not available)
Coromandel	73.0*	65.3
Egmont	69.0*	80.6
Eketahuna	No Election	No Election
Ellesmere	52.6	No Election
Franklin	58.3*	70/61 (average not available)
Kiwitea	89.6*	89.1
Mackenzie	87.4*	90.2
Malvern	80.6*	89.7
Marlborough	32.8	78.1
Ohinemuri	58.0	82.8/73.3 (average not available)
Patangata	74.8*	90.6
Rangiora	31.4	71
Rangitikei	86.4*	81
Rodney	70.1	79
Taumarunui	40.1	83.6
Taupo	59.1*	77.7
Thames	27.7	57
Waiapu	56.8	79
Waikohu	No Election	No Election
Waimea	50.6	84.6/87.7 (average not available)
Waipawa	62.0	98
Wallace	40.0	77.1
Whangarei	34.8	71.9
Westland	No Election	73

"It can be seen from the above figures that in the cases where postal voting was used for the first time considerable increases in the percentage of votes cast were obtained. Where postal voting was used by counties for the second or in the case of Mackenzie County for the third time voting percentages were generally maintained.

"On the whole therefore postal voting has been successful in increasing voting percentages in those counties which have undertaken to use it. As well it has tended to reduce the cost of elections where the previous elections were held in the normal way. There has been no evidence that it has encouraged irregularities, and it has proved a better system to operate from an administrative point of view."

Experience with Regard to Abuse

From the above, it is clear that there has been no evidence of abuse in the New Zealand experience.

With regard to American experience, officials in four of the States, in response to an inquiry from the Review concerning any fraudulent practises involving the postal ballot, indicated respectively: "I know of no fraud being committed by absentee voting" (Monroe County, New York), "These methods of absentee voting have proven quite satisfactory" (Maine), "We are not aware of cases of misuse of the privilege of absentee voting" (Kansas), and "To the present this system has worked well for us" (Hawaii). The other 8 states contacted simply forwarded copies of their pertinent election legislation without comment: none however gave any indication of abuses being encountered in postal balloting.

Two aspects of American practice deserve special consideration.

The first is a requirement in a few of the States that a person voting by mail have either his application for a ballot form, or his signature on the envelope returning it, notarized by an official authorized by law to administer oaths. The second is the practise now followed in most of the States of maintaining what is called a "Permanent Voter Registration System". The latter establishes a permanent voters' list comprising the qualifications and the signature of each voter, and is kept continually up to date by election officials, using assessment records, death notices and other sources of information for the purpose. Comments by American political scientists on these practices strongly suggest that permanent registration of voters is a far more effective safeguard against election fraud than any other system, and that where it is in effect, such further precautions as requiring notarization of an absentee ballot are not required, and only serve to make voting unnecessarily difficult.

American experience therefore strongly suggests that the most effective safeguard against voting by unqualified persons is the establishment of a permanent and continually updated list of voters, containing the evidence of their qualifications and their signatures. Comparison of the signature on the envelope containing a postal ballot with the signature on the permanent voters registration list, backed by a stiff penalty for forgery and false voting, is felt by many American observers to give greater protection against abuse than the combination of periodic voter registration

and balloting in person. Election frauds are rarely attempted except on an organized basis, and are usually carried out by workers for a party or a candidate with the connivance of election officers. Thus a system which ensures that the voters' list includes only qualified persons, by requiring each voter to sign the register in person before being placed on the list, is unlikely to be subject to abuse by anyone voting either in person or by mail. On the other hand, periodic voters' lists prepared essentially from assessment records may well include some not properly qualified, either inadvertently or by design; and identification at the polls of an individual purporting to be a person on the list does not provide positive protection unless the person is known by someone present who is also honest.

Thus, both American and New Zealand experience suggest that postal balloting can be at least as safe from abuse as is the usual voting procedure in Ontario. Moreover, the New Zealand experience suggests that it can significantly increase voter participation and reduce election costs.

Compared to the advance poll, or polling over an extended period of time, which would increase election costs without eliminating the need for an absentee voter to make a special trip in order to vote, I am therefore convinced that the postal ballot is clearly to be preferred.

Safeguarding the Postal Ballot

Three steps would safeguard such a system:

1. the preparation of a special registration list for absentee voters, who would be required to register in person, sign the list, and be given a registration number;
2. the use of registered mail to send and return the ballot forms; and
3. the use of a plain envelope in which the voter would place his marked ballot, an accompanying slip on which he would enter his registration number and which he would sign, and an outer envelope addressed to the municipal clerk in which the sealed envelope containing the ballot and the identification slip would be returned.

The mailed returns would be opened in the presence of scrutineers, and the number and signature on each identification slip checked against the voter registration list. If the scrutineers were satisfied, the plain envelopes would be placed in a ballot box to be opened and counted with other ballots at the close of the polls. If the scrutineers were not satisfied the ballot in question would not be counted and the sender would be so informed; he would have the right to contest the scrutineers' decision by appearing before the Clerk within a stipulated time to establish his identity, and if successful his ballot would then be counted.

These measures should ensure that unqualified voters or counterfeit ballot forms could not influence an election. And as for the fear that absentee voters might be unduly influenced by a candidate's literature sent by mail, this threat is just as real with regard to those who vote in person.

Under such an arrangement, a somewhat longer time would have to be allowed between nomination and election days to permit the ballots to be printed, mailed out, returned, and checked against the list. The envelopes could be addressed before the nomination day, and with a rapid printing service it should be possible to get the printed ballot forms mailed out within two or three days of the nominations. Under these conditions, I see no reason why a three week interval between the nomination and election days would not be sufficient. A common day in November could therefore be chosen throughout the Region for nominations, and a common day three weeks later in early December for the elections. It is perhaps unnecessary to add that I feel the above voting procedures and dates should apply to Board of Education as well as municipal nominations and elections.

With regard to the nomination procedure, I do not feel that any absentee provisions are either necessary or desirable. Any cottager wishing to participate in the nominations should be expected to come to Muskoka for the purpose.

It should be stressed however, that if postal balloting is adopted, the privilege must in equity, be just as available to year-round residents who may have to be absent on election day, as to cottage owners. Indeed, many of the permanent residents who go south for the winter could be expected to use the procedure.

Two other points may be mentioned. The first is the time period during which the absentee voters' registration list would be prepared. As it is desirable that this list be current, I believe this period should not be longer than necessary, and would suggest that the four months from July 1st to October 31st should be sufficient. Alternatively, if a system of permanent voter registration should be adopted in Ontario, there would be continual updating of the list. Termination of registration some time before nominations would also seem desirable to avoid any last minute rush when the Clerk might not have time to carefully check a registrant against assessment records. The second point has to do with the special costs of postal balloting including registration, postage and envelopes. Considering the convenience to the absentee voter as compared to making a special trip in order to vote, I am of the opinion that it would be quite reasonable to make a nominal charge of perhaps one dollar for absentee voter registration, to be collected by the Clerk at the time of registration, in order to defray these costs.

In the light of the above considerations, I am convinced that postal balloting is the best method of facilitating voting by all those who find it difficult or impossible to be in Muskoka on election day, and I am equally convinced that it would be no more, and probably less, subject to abuse than the customary voting arrangements.

Accordingly, I recommend that:

A SYSTEM OF POSTAL BALLOTING, INVOLVING PRE-REGISTRATION OF QUALIFIED VOTERS WHO EXPECT TO BE ABSENT FROM THEIR MUNICIPALITY ON ELECTION DAY, BE ADOPTED THROUGHOUT THE REGION, AND THAT WITH SUCH A SYSTEM, A COMMON DAY IN NOVEMBER FOR NOMINATIONS AND A COMMON DAY THREE WEEKS LATER IN EARLY DECEMBER FOR ELECTIONS BE ADOPTED BY EACH AREA MUNICIPALITY.

It is felt that this recommendation could be implemented in Muskoka alone, perhaps on a trial basis. It must be admitted however, that such a step in one part of the Province would undoubtedly bring requests for its extension to other areas, in some of which strong opposition might be encountered. The change proposed may therefore be felt to set too much of a precedent if adopted in one area, and to be too controversial at this time for adoption in several areas or for the Province as a whole. Indeed, the Ontario Legislature's Select Committee on Election Laws is currently studying the whole subject of electoral reform, and has recently announced plans to investigate methods of voter registration and other election procedures in several American States, when the current session of the Legislature ends. It seems safe to assume that no action is likely to be taken on a recommendation that postal balloting be introduced, until

such time as the Select Committee has had a chance to study the matter thoroughly and report on it.

Under these conditions, it seems likely that the proposed Regional Government for Muskoka may be implemented in advance of any decision on the postal ballot question. To meet such a situation, I would recommend that

IF POSTAL BALLOTING IS NOT ADOPTED, THEN
POLLING SHOULD TAKE PLACE IN ALL THE AREA
MUNICIPALITIES ON TWO CONSECUTIVE SATURDAYS
IN EARLY DECEMBER.

CHAPTER 10

REPRESENTATION

Before discussing the composition of the proposed upper and lower-tier councils, it is necessary to consider two matters of fundamental importance: the weight to be given to cottage population in determining representation by population, and the principal of representation by population versus representation by municipality.

Weight to be Given to Cottage Population

It is first necessary to distinguish between cottage population and the other kinds of seasonal population such as visitors to commercial tourist establishments, campers, seasonal employees, and visitors of either permanent residents or cottagers. For of these various groups, it is felt that only the cottagers, as property owners (or in a few cases long-term tenants), have a sufficient stake in the community to be considered when determining representation. This means in effect that it is the cottage owners and their families which should be considered.

The issue of what weight should then be given to cottagers in determining representation, is related to but quite distinct from the right of the cottage owner (or long-term tenant) and his dependants aged 21 and over, to vote. It is the question of the ratio of representatives per thousand of cottage population as compared to the ratio per thousand of

permanent population.

Many of those who made submissions to the Review did not deal with this issue. Of those that did, either in their written briefs or in discussion at the public hearings, opinion was divided as between giving the cottage population full weight or only part weight in determining representation. Gravenhurst, Huntsville, and the Muskoka Law Association favoured giving cottagers only partial weight, while Bracebridge, Bala, Port Carling, Windermere, Medora and Wood, Monck, Muskoka Township, the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations, and the Gibson-Baxter Committee were in favour of full weight being given.

It is tempting to agree with those taking the latter position, that since cottagers are expected to pay full municipal taxation, they should be given full weight in determining municipal representation. But for several reasons, I have become convinced that there is some serious doubt that such an arrangement would be in the best long-term interests of Muskoka as a whole.

The most basic reason is the fact that the cottage population already outnumbers permanent residents by more than 2:1, and is increasing at a significantly faster rate, so that within the next quarter century the ratio is expected to approach 3:1. If cottage population is given full weight in representation therefore, the permanent residents would at present be

entitled to only about one third of the total representation, and in future to only about a quarter. I am aware that the majority of the actual representatives elected may continue to be permanent residents, although there is of course no certainty of this. Nevertheless, I doubt that councils composed of representatives in these proportions would be likely to work well.

It is I feel, essential to recognize that the cottager and the year-round resident necessarily have some fundamentally different interests at stake, even though they also have many interests in common. The main differences have to do with certain social needs which are increasingly the concern of local government, essentially in the fields of education, welfare and health - needs which in the case of the cottager, are primarily met by the municipality in which he has his permanent residence, but which in the case of Muskoka's permanent residents, must be met by local government in Muskoka. To ignore these differences in designing a system of local government would not mean that they will go away, but rather that they may prevent the system from working harmoniously. For in certain fields I believe it is obvious that the year-round resident has a different and deeper concern in the community than does the cottager, no matter how frequently the latter makes use of his cottage; while in other fields, such as planning and pollution control, although both cottagers and permanent residents share a common concern for the future of the District, the cottager is apt

to feel that he has relatively more at stake. This is not to say that these different interests are incompatible; indeed, it is obvious that the cottagers and year-round residents of Muskoka have far more in common than not. It does suggest however that their respective priorities must necessarily differ to some extent. And it is in the setting of priorities for local government expenditure that such issues will come to light.

In simple terms, there are many cottagers, but on the average they are only in the District for perhaps a couple of months in the year; and there are fewer permanent residents, but they are generally there for most of the year. How should their respective numbers and interest be weighed in determining the most desirable set of priorities for a system of government which must operate year-round? If only the numbers of people are considered without taking into account the proportion of their lives spent in Muskoka, true representation by population in the full meaning of the term will not have been achieved in my view.

For example, if full weight is given to cottage population, the Muskoka Lakes, Georgian Bay, and Lake of Bays municipalities would be given half the representation on the Regional Council, although their combined year-round population represents only about one quarter of that in the Region. I do not believe such a Council would function well, even though these three municipalities have about half the assessment in the Region, for the effect would be to give their permanent residents undue

weight on all those issues which are primarily of concern only to the year-round population in Muskoka.

Because of these considerations, I am of the opinion that cottage population should be given only part of the weight accorded to permanent population when determining representation. But the ratio to be used remains to be determined. In this regard, I am inclined to feel that any attempt to devise an intricate formula would be largely beside the point; it is better that a simple formula be used which clearly expresses the principle involved.

Accordingly, I recommend that:

IN DETERMINING REPRESENTATION ACCORDING
TO POPULATION, COTTAGE POPULATION BE
GIVEN APPROXIMATELY HALF THE WEIGHT
ACCORDED TO PERMANENT POPULATION.

A word must be added about the population figures available. A more accurate and up-to-date set of cottage population figures would be desirable, and in time, it may be hoped that such data will be compiled annually along with assessment records. In the meantime, although the estimates given in Table 4 clearly leave much to be desired, it is considered that they are probably sufficiently accurate for the purpose. This is because,

in determining the composition of a council, it is never possible in practice to obtain more than a very rough approximation of "rep by pop"; consequently, refined population data, though desirable, would not likely result in any change in the number of representatives proposed.

Representation by Population versus Representation by Municipality

There is another principle beside representation according to population that is also applied in many two-tier systems, and that is to guarantee some minimum of representation for each lower-tier municipality. In cases where the municipalities range from very small to very large in population, the application of this principle serves to guarantee that even the smallest municipality will have at least one representative on the upper-tier council. This frequently results in significant over-representation of the small municipalities and under-representation of the large compared with strict representation according to population.

As will be shown in the next section, the proposed lower-tier municipalities for Muskoka are near enough in size to avoid this problem. This would not be the case if the present municipalities in the District were to be represented however, for they show a much greater range in population size.

This is pertinent because while I cannot recommend that the present municipalities be retained as the lower tier, I think it is appropriate

that they be given the status of wards in the new area municipalities wherever this is possible. If this is done, and even the smallest are to be given a representative on the area council, it will mean that the principle of representation by municipality will influence the composition of the lower-tier councils. In determining each area municipality's representation on the Regional Council however, it will be possible to come much closer to representation according to population. This does not mean that none of the present municipalities as wards in the new area municipalities would have representatives on the Regional Council, but only that the smaller ones will be required to share a regional representative in order to keep the Regional Council within a reasonable size.

Thus it is suggested that the principle of "rep by pop" should be compromised at the lower tier in order to preserve as far as possible the sense of community identity, the traditions and the name of each of the present municipalities in the new structure of government. The alternative of destroying this heritage rather than building on it would sacrifice much of the intangible but invaluable community spirit without which local government can lose a great deal of its meaning. In my opinion, it is well worth deviating from the principle of "rep by pop" in order to give present municipal entities a continuing role as wards in the new system.

Proposed System of Representation

The system proposed is therefore based on representation by wards, weighted roughly by population at the lower-tier, and brought more in accord with population at the upper-tier by grouping of the small-population wards.

The suggested ward boundaries in each of the proposed lower-tier municipalities are shown on Plate 5. It will be seen that in most cases they correspond with the present municipal boundaries; but where a present municipality is divided between two or three of the proposed area municipalities, each piece is given separate ward status if it has a population of any significance, and in other cases is made part of a larger ward.

The estimated population in the resulting wards, giving half weight to cottage population, is shown in Table 5, which also indicates the proposed scheme of representation. It will be convenient to discuss representation to the lower tier first, then to the upper tier.

Lower-Tier Representation

Each ward is to elect one or more representatives to the council of the area municipality of which it is a part, the more populous wards being given two or three representatives so as to bring lower-tier representation roughly into line with population. Thus, the Gravenhurst, Bracebridge, Huntsville and Medora and Wood wards would each elect three

TABLE 5. PROPOSED REPRESENTATION ON AREA AND REGIONAL COUNCILS

MUNICIPALITY	WARD (1)	POPULATION (2)			REPRESENTATION PROPOSED	
		Permanent	½ Cottage	Total	On Area Council	On Regional Council
Georgian Bay Area	Freeman	908	396	1304	1	} 1
	Gibson	208	1690	1898	1	
	Baxter	1093	3530	4623	2	1
	at large	2209	5616	7825	1	1
					5	3
Muskoka Lakes Area	Medora & Wood	1183	5335	6518	3	1
	Bala	449	1204	1653	1	} 1
	Port Carling	552	484	1036	1	
	Windermere	111	130	241	1	} 1
	Monck North	319	666	985	1	
	Watt	653	1177	1830	1	} 1
	Cardwell	123	344	467	1	
	at large	3390	9340	12730	1	1
					10	4
Gravenhurst and Area	Gravenhurst	3264	200	3464	3	1
	Muskoka South	1093	1896	2989	2	1
	Morrison	700	1646	2346	1	} 1
	Draper South	301	311	612	1	
	Ryde	207	472	679	1	
	Oakley	179	724	903	1	
	at large	5744	5249	10993	1	1
					10	4
Bracebridge and Area	Bracebridge	3260	26	3286	3	1
	Monck South	959	444	1403	1	} 1
	Muskoka North	704	1077	1781	1	
	Macaulay	945	515	1460	1	} 1
	Draper North	302	311	613	1	
	at large	6170	2373	8543	1	1
					8	4
Huntsville and Area	Huntsville	3275	—	3275	3	1
	Chaffey	2739	1024	3763	2	} 1
	Sinclair	281	545	826	1	
	Stisted	213	353	566	1	} 1
	Stephenson	743	490	1233	1	
	Port Sydney	203	228	431	1	
	Brunel	922	553	1475	1	
	at large	8376	3193	11569	1	1
					11	4
Lake of Bays Area	Franklin	601	1401	2002	2	} 1
	McLean	577	1123	1700	1	
	Ridout	152	1070	1222	1	
	at large	1330	3594	4924	1	1
					5	2

(1) boundaries as shown on Plate 5

(2) derived from figures in Table 4

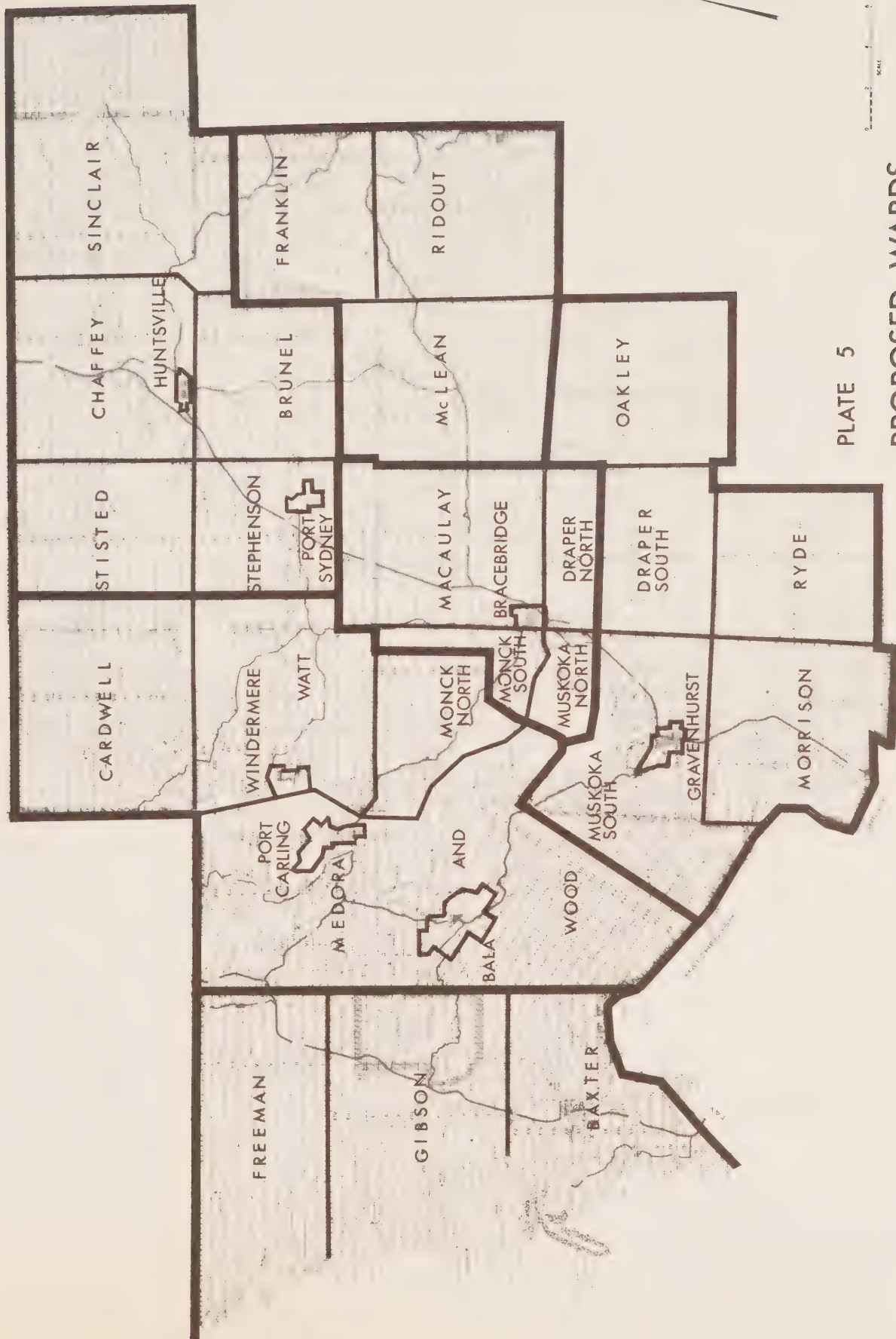


PLATE 5

PROPOSED WARDS

representatives to their respective area councils, and the Muskoka South, Chaffey, Franklin and Baxter wards would each have two representatives. In general where a ward has two or three representatives, it is felt they should each be elected at large in that ward; but in the case of Medora & Wood ward, consideration might be given to retaining the three present Medora & Wood "wards", thereby dividing the proposed Medora & Wood ward into three.

Because the number of wards varies among the proposed area municipalities, the proposed system of representation results in lower-tier councils of different sizes. Allowing for a head of council to be elected at large in each municipality, the required council sizes are five each in the Georgian Bay and Lake of Bays municipalities, eight in the municipality centred on Bracebridge, ten each in the Muskoka Lakes municipality centred on Gravenhurst, and eleven in the municipality centred on Huntsville. It would be possible of course, to bring the council sizes more into line by adding representatives to the smaller ones; but it is felt that the sizes proposed likely bear a rough relationship to the relative workloads of the various councils, with the urban-centred municipalities each having a larger council of from eight to eleven members. As long as the Georgian Bay and Lake of Bays area municipality councils can handle their respective workloads, I see no reason why they need be enlarged.

Upper-Tier Representation

The proposed representation of lower-tier municipalities on the Regional Council would give the municipalities centred on Gravenhurst, Bracebridge, Huntsville and the Muskoka Lakes four representatives each, the Georgian Bay municipality three representatives, and the Lake of Bays municipality two. With the Regional Chairman, proposed to be elected at large throughout the Region, this would give a regional governing body of twenty-one councillors and a chairman. This should prove large enough to handle the anticipated workload and to provide for necessary council committees, yet not so large as to prove unwieldy.

A word of comment is required on the representation given the area municipality centered on Bracebridge, which though it has a greater permanent population than any of the other area municipalities except that centered on Huntsville, has the smallest cottage population of the six municipalities. This results in a weighted population which justifies slightly more than three representatives but not four strictly according to the population formula. I feel this is clearly a case where strict adherence to rep by pop would be unthinkable however, because of the key central position of this area municipality in the Region, and its substantial permanent population. Accordingly I have no hesitation in proposing that it be given four representatives on the Regional Council along with the area municipalities centered on Gravenhurst, Huntsville and the Muskoka Lakes.

Since it is proposed that a measure of ward representation be carried through to the Regional Council, the desirability of this and the mechanism for it need to be discussed.

Some will undoubtedly feel that carrying ward representation through to the Regional level will tend to sustain parochial attitudes. While there is undoubtedly some truth in this charge, I do not believe it will prove to be a matter of serious concern for three reasons: first only the most populous of the present municipalities are given their own representative at the Regional level, and in my view the representatives of these municipalities have given clear indication in their submissions to the Review that their attitudes are not narrowly parochial, but support effective District-wide action; second, by the grouping of smaller wards to share a representative, the transition from parochial to wider-area attitudes can be strengthened while preserving the ingredient of community interest by grouping wards having much in common; and third, seven of the twenty-two members of the Regional Council will be elected at large either within an area municipality, or in the case of the Regional Chairman in the Region as a whole, and these representatives will play a key role in assuring that area-wide programmes are not jeopardized by parochial interests. In connection with the latter point, it should also be stressed that each of the proposed area municipalities includes significant numbers of both year-round and seasonal residents, with permanent residents more preponderant

in some municipalities, and cottagers more predominant in the others; thus each council will need to balance diverse interests to a considerable extent, and in doing so the broader attitudes required to resolve area-wide problems will be fostered. In the final analysis, parochialism is not overcome by the system, but by a growing awareness among the people and their representatives of their interdependence and need for common action. In the long run, this awareness will, I feel, be nurtured more by building on present communities of interest, than by ignoring them.

Turning to the mechanism for selecting Regional representatives, the head of each lower-tier council will of course automatically sit as a Regional Councillor. Each of the other Regional Councillors, however, must be selected either from among the two or three representatives of each of the more populous wards, or from among the several representatives of each group of less populous wards. In the former case, I believe the ward representative polling the greatest number of votes should be the one to sit on the Regional Council. In the latter case, I propose that the representatives of each group of wards should first be given the opportunity to reach agreement among themselves as to which of their number shall represent that group of wards on the Regional Council; in the event they cannot agree however, the area council as a whole should then make the decision.

One other question deserves comment, the matter of the workload which Regional Councillors will bear because they each sit on an area

council as well. This extra burden is unavoidable under a system of indirect election, and was indeed one of the main arguments against such a system made by those who supported direct election in their submissions to the Review. I am of the opinion however, that this workload will not be found as heavy as many fear, partly because the functions of the Regional Council will to a considerable extent be taken over from the local councils relieving them accordingly, and partly because the lower-tier councils likely to have somewhat heavy workloads, will all be large enough to permit much of the detailed work to be handled by lower-tier councillors who do not sit also on the Regional Council. This is not to suggest that the Regional Councillors would not play leading roles on their respective area councils, but only that by proper delegation to area council committees they can reserve their time at area council meetings to the making of policy, leaving the assembly of pre-requisite information and the details of implementation to be looked after largely by the other councillors.

Should the workload prove heavier than I suspect, the device of adding a Reeve* elected at large to each area council, who would not sit on the Regional Council, could be considered. Such a Reeve could act as head of the area council in the Mayor's absence, officiate at local ceremonies, deal with ratepayers, and generally relieve the Regional Councillors of some of their area council responsibilities. While I am not convinced at this stage that such a device is necessary, I believe it is a change which

* a Deputy-Reeve in the Georgian Bay or Lake of Bays municipalities.

could be readily incorporated at a later date and should be considered in any area municipality which finds that its Regional Council representatives are unduly burdened.

The scheme of representation outlined above is, I feel, equitable, and I hope sufficiently acceptable to work well.

Accordingly I recommend that:

REPRESENTATION ON AREA COUNCILS BE BY WARDS, WITH THE HEAD OF COUNCIL ELECTED AT LARGE IN EACH AREA MUNICIPALITY: AND REPRESENTATION ON THE REGIONAL COUNCIL COMPRISE THE HEAD OF EACH AREA COUNCIL, THE WARD REPRESENTATIVE POLLING THE HIGHEST NUMBER OF VOTES FROM EACH WARD ELECTING TWO OR MORE AREA COUNCIL REPRESENTATIVES, AND ONE WARD REPRESENTATIVE FROM EACH PROPOSED GROUPING OF THE REMAINING WARDS, CHOSEN EITHER BY AGREE - MENT AMONG THE REPRESENTATIVES OF THAT GROUP OR, IF THEY FAIL TO AGREE, BY THE RESPECTIVE AREA COUNCIL AS A WHOLE.

And I further recommend that:

THE WARDS SHOWN ON PLATE 5, AND THE WARD

GROUPINGS AND NUMBERS OF REPRESENTATIVES SHOWN IN TABLE 5 BE ADOPTED AS THE SYSTEM OF REPRESENTATION FOR THE PROPOSED TWO TIERS OF GOVERNMENT, GIVING A REGIONAL COUNCIL UNDER THE CHAIRMAN OF TWENTY-ONE MEMBERS, COMPRISING FOUR EACH FROM THE MUNICIPALITIES CENTERED ON GRAVENHURST, BRACEBRIDGE, HUNTSVILLE, AND THE MUSKOKA LAKES, THREE FROM THE GEORGIAN BAY MUNICIPALITY, AND TWO FROM THE LAKE OF BAYS MUNICIPALITY.

Remuneration of Representatives

A position on one of the new councils will involve both greater responsibility and a heavier workload than is borne by present council members, and this will be particularly true of the Regional Council positions. The position of Regional Chairman is seen as a full-time job, and while the Regional Councillors should not find it necessary to devote as much of their time, they will still be required to spend many hours a week in performing their Regional and area municipality duties. With good staff and proper preparation of the issues coming before council, the new councillors should be able to concentrate more on policy matters and less on administrative detail than is generally now the case, but while this will be more challenging and rewarding, it will not reduce the time required of them.

Accordingly, it will be important that there be remuneration commensurate with the duties and responsibilities of the new council positions, to ensure that good potential candidates are not kept out of public office because they can't afford the drain on their personal finances that it entails.

Similarly with the co-opted members which it is proposed (in Chapter 12) that councils appoint to various council committees, sufficient remuneration should be paid to ensure that capable citizens are not forced to turn down such appointments because they can't afford to accept.

As these are matters for the new councils, my concern is only to suggest the principle which I believe should be followed, and I do not feel any recommendation is necessary.

CHAPTER 11

DIVISION OF FUNCTIONS

The municipal functions to be divided between the upper and lower tiers are, for convenience, grouped under a dozen main headings: administration, finance and taxation, planning, pollution control sanitation and water supply, roads and traffic, recreation and community services, health, welfare, protection, housing and renewal, economic development, and other municipal services. These will be dealt with in turn.

Administration

The usual Clerk's functions come under this heading, including the assembly of much of the information required for council decisions, the preparation of council agendas, the taking of council minutes, and the administrative action required to ensure that council decisions are carried out. Clearly, these functions have to be performed for each council, and therefore they will have to be performed at both the upper and lower tiers.

Business Licenses

The issuance of various kinds of licenses is also generally a function of the Clerk's Department, where this is not a sufficiently important function to require a separate licensing department. In the case of business licenses, it is considered that under today's conditions, it is

unreasonable to require a businessman or tradesman to be licensed in each of the area municipalities. Accordingly, it is proposed that the licensing of businesses and tradesmen should be made the responsibility of the Regional Council, and that a license of this type would therefore permit a businessman or tradesman to operate throughout the Region.

Other Licenses

This category includes dog licenses etc., and it is considered more appropriate that it should be handled at the area municipality level. This would logically place canine control and the operation of dog pounds at the area municipality level as well.

Voters' Lists and Election Administration

Because of the system of indirect election proposed, it is felt this should be an area municipality responsibility. This would mean that the area municipality Clerks would be responsible for compiling the absentee voters' registration lists, along with the usual voters' lists.

Purchasing

As indicated in the "Preliminary Recommendations Report", it is considered that significant savings should be possible if the Regional Government were to undertake bulk purchasing of certain items for all the area municipalities. On the other hand, it will undoubtedly prove more convenient for each area municipality to do at least some of its own

purchasing. Accordingly, it is proposed that this be made a permissible function for both the upper and lower-tier governments, with the suggestion that the Regional Government take the initiative in contacting each area municipality so as to line up as much bulk purchasing as is feasible for all the governments in the Region.

Legal and Accounting

These functions have traditionally been carried out by the present municipalities through contract arrangements with private solicitors and accountants, and as indicated in the Research Report, it is unlikely that the proposed new governmental arrangements would justify the retention of a lawyer or accountant as a municipal staff member. Accordingly, it is assumed that these functions will continue to be performed by retaining private solicitors and accountants, and since each government will require such services, these functions must be considered a responsibility of both the upper and lower-tier governments.

Finance and Taxation

Financial Planning and Budget Preparation

These are two of the main treasury functions, which have been customarily carried out by the Clerk-Treasurer in Muskoka municipalities. They will in future be among the most important of the functions of each of the proposed governments, and must therefore be shown as functions of both the upper and lower-tier councils. More detailed

proposals on the way in which these functions should be carried out are given in Chapter 14.

Capital Borrowing

Debenture borrowing on a long-term basis has not been of major significance in Muskoka municipalities except for school purposes, until recent years. But the backlog of needed improvements, and the growing need for effective pollution control, suggest that capital borrowing for municipal purposes is likely to be somewhat more important in future than it has been in the past. Although some of the submissions to the Review suggested that the area municipalities might obtain more favourable terms than the Regional Government, and should therefore be permitted to issue their own debentures, I am convinced that under current and foreseeable conditions in the debenture market, this is very unlikely to be the case. Accordingly, it is considered that the most suitable arrangement for this function is likely to be the one adopted in The Municipality of Metropolitan Toronto and the Regional Municipality of Ottawa-Carleton, whereby the upper-tier government is made responsible for all debenture borrowing, on its own behalf, and on behalf of any of the area municipalities. Under this arrangement, the debentures, though they may be issued for the specific purpose of an individual area municipality, become the direct, joint and several obligations of the Regional Government and the area municipality governments, and because of this combined credit

backing, should in virtually every case be obtained on more favourable terms than would be available for debentures issued by a single area municipality. It is therefore proposed that debenture borrowing be made solely a responsibility of the Regional Council.

Taxation of Property

Tax revenues will be required by both the lower-tier and upper-tier governments, but it would obviously be wasteful and inefficient for each to levy separately on the property assessments of the area. The most efficient system is again considered to be that employed in Metropolitan Toronto and Ottawa-Carleton, whereby the Regional Government levies its funds from the area municipalities, and the latter levy taxes on the property owners for both their own and the Regional Government's requirements, showing the local and regional portions of the tax levy separately on the tax bill. Accordingly it is proposed that property taxation be made a sole responsibility of the lower-tier municipalities.

Tax Billing

Tax billing on the other hand, is a function which lends itself to automatic data processing, requiring equipment shared by many municipalities if it is to be efficiently used. In the case of Muskoka, it is likely that the equipment available for this purpose would be that of the District Assessor's Data Processing Center at North Bay. Although the Province is taking over the assessment function, it is assumed that the facilities

of the North Bay Data Processing Center should still be available. Obviously, however, negotiations for their use for purposes of tax billing should logically be made a responsibility of the Regional Government; and should the North Bay facilities not be available, it would again be most logical that the responsibility for making alternative arrangements for tax billing should be that of the Regional Council. Accordingly, it is proposed that the Regional Council be made responsible for tax billing on behalf of each of the area municipalities.

Courts of Revision

Although the Province is taking over the assessment function, Courts of Revision will still be required in local areas to provide for the settlement of assessment appeals. It is considered that in Muskoka, savings may be possible by having a Court of Revision serve more than a single area municipality, and accordingly it is proposed that the appointment of Courts of Revision under the Assessment Act be made a responsibility of the Regional Council.

Collection of Fines

Where fines are imposed for infractions of local by-laws, it is considered appropriate, and generally more convenient for the fine-payer, that these be payable at the area municipality offices, and this function is therefore proposed as an area municipality responsibility.

Planning

The need for sound long-range planning is undoubtedly one of the most urgent needs facing Muskoka today, and the submissions to the Review give virtually unanimous support to a strong and effective planning system for the Region.

The Preliminary Recommendations Report proposed a planning system in which the Regional Council would be primarily and ultimately responsible for planning in Muskoka, but with a significant advisory role for Area Planning Boards comprising either a minority or majority of area municipality councillors. The submissions to the Review, in addition to supporting such strong Regional planning control, generally favoured the Area Planning Boards being constituted with a majority of area councillors; i. e. the Area Boards like the Regional Planning Board should really be committees of council, with some appointed citizen members in a minority. Of all the submissions received, only one - from Oakley - proposed that final planning decisions should be made by the lower tier; the other submissions which took a stand on this issue, strongly urged that ultimate planning responsibility in Muskoka should rest with the Regional Council.

Accordingly, my firm conviction that planning should be primarily a Regional Government responsibility remains unshaken. As will be further detailed in the next chapter, I propose therefore, that both Regional and Area Planning Boards be established, with members of the

respective councils constituting a majority of the voting members, and appointed citizen members filling the remaining Board positions; and that the Regional Planning Board be given sole responsibility for planning decisions in the Region, but with the advisory Area Planning Boards to be consulted, and with the Regional Planning Board having power to delegate planning functions to the Area Boards as it deems desirable. Similarly the Minister should be empowered to delegate any of his powers of approval under the Planning Act to the Regional Council. With reference to the specific planning functions, such a system would result in the following:

Official Plans

The Regional Planning Board should be given the responsibility of preparing a regional plan within a specified time, calling on the advice of the Area Planning Boards in doing so. The Region should therefore be designated as a Planning Area. Because of the subordinate role assigned to the Area Planning Boards, I do not feel it necessary to establish subsidiary planning areas as is done under a joint planning area arrangement.

It would be the responsibility of the Regional Planning Board to ensure that the necessary planning studies are carried out to produce the regional plan and to produce more detailed secondary plans for each of the area municipalities for subsequent adoption by amendment as parts of the overall plan. In each of these phases of plan preparation, the Regional

Board should obtain the advice of the Area Boards, and could delegate the detailed consideration of various local matters to them; the Area Boards could also initiate proposals. In this way the Regional and Area Boards should work together as a team, the Regional Board being primarily concerned with overall standards and regional strategy, delegating to the Area Boards much of the work on the secondary plans. But the responsibility for ensuring that a detailed secondary plan is prepared for each municipality within a reasonable time would remain with the Regional Board, which would have the power to do the job itself if an Area Board should prove unable or unwilling to cope with it. Similarly, in the event of disagreement between an Area Board and the Regional Board, the matter would be decided by the Regional Board. Upon adoption of the Official Plan subsequent amendments could be proposed by either an Area Board or the Regional Board, but the Regional Board would have to adopt a local proposal for amendment before it could be submitted to the Minister for approval.

Any existing Official Plans should remain in effect until the Minister has approved an Official Plan adopted by the Regional Council, but it should be possible for the Regional Council to amend an existing Official Plan in the interim if this is considered necessary. Similarly, any draft Official Plans which have been prepared by existing municipalities but which have not been approved when Regional Government is established, should be adopted by the Regional Council in the interim if it feels this would be desirable. When the Minister has approved an Official Plan

adopted by the Regional Council, it will supercede any existing Official Plans in the Region.

Subdivision Approvals and Agreements with Subdividers

Approval of subdivision plans and of agreements with subdividers for the installation of services, etc. should also be responsibilities of the Regional Planning Board but the detailed consideration of subdivision proposals could and in most cases undoubtedly would be delegated to the Area Planning Board of the municipality in which the proposed subdivision is located. The Area Board would recommend whether in its opinion the proposed plan should be approved, amended, or refused; if the Regional planning staff agreed with the local recommendation, approval by the Regional Board would normally follow as a matter of routine; but again in the event of disagreement, the Regional Board would decide. The Regional Board would be expected to ensure that adequate minimum standards for subdivision design and for agreements with subdividers concerning services etc., are adopted throughout the Region.

To ensure adequate subdivision control, it will of course be necessary to designate the whole of the Region as an area of subdivision control, and it is considered that it should also be brought under part-lot control, in accordance with Section 26 of The Planning Act. It is thought that this might appropriately be done by the legislation establishing the new Regional Government. In order to prevent undesirable subdivision

activity in the period before Regional Government is established, it would be desirable for the Minister to use his powers under Section 27 of The Planning Act to establish subdivision control throughout the Region as an interim measure.

Zoning

The zoning by-law is the chief means of implementing an Official Plan, and it is therefore considered desirable that the Regional Council should also be given the responsibility for ensuring that adequate zoning control is established throughout the Region. This should not preclude local variations in zoning provisions, as long as these do not conflict with desirable standards for the Region. Initially, existing zoning by-laws should remain in force, unless and until they are replaced. Ultimately, it is likely that the Regional Council will decide to work towards a single consolidated zoning ordinance for the whole Region, but this is not considered essential, as long as proper zoning standards are met in each area, providing effective implementation of the Official Plan. Thus it would be up to the Regional Council to decide the extent to which existing (or pending) zoning by-laws should be consolidated and their coverage extended. The Council might well conclude that its role should be to lay down district-wide zoning standards and delegate the job of adopting and administering zoning by-laws to the area municipalities. But the Regional Council would still have to approve any zoning by-law or amendment, and

could itself adopt a needed by-law or amendment if an area municipality failed to do so.

It will be necessary at least to develop a consolidated zoning by-law for each area municipality, in conformity with desirable minimum standards laid down by the Regional Council. Having set such standards, the Regional Council could delegate most of the municipal zoning consolidation task to the area councils. As with the Official Plan and subdivision control however, the responsibility for ensuring that adequate zoning is adopted and effectively implemented throughout the Region would rest with the Regional Council, which would decide the issue in the event of disagreement with an area municipality.

Thus, the Regional Council would clearly be responsible for zoning but could delegate much of this responsibility to the lower-tier municipalities. Under this arrangement, it should be possible to preserve most of the carefully developed zoning provisions which are working well in certain of the present municipalities, as long as they meet regional standards, and at the same time ensure that other areas which have not yet developed adequate zoning protection will receive it either through their own efforts or through the initiative of the Regional Council.

Committees of Adjustment

Committees of adjustment perform two main functions, the

granting of minor variances from a zoning by-law, and the granting of consent to sever a parcel of land without a plan of subdivision where a subdivision control by-law is in force. Minor zoning variances should I feel, be a responsibility of the lower-tier municipalities, which are in a better position to consider the merits of each application in detail. The same is true with regard to the detailed considerations which should be taken into account in granting consent for the severance of a lot; but it is considered essential that the Regional Council retain control over the number of consents for severance granted throughout the Region, because too many severances can undermine effective subdivision control. Thus, it is considered that committees of adjustment should be made a lower-tier responsibility, but that the power of the committees to grant consents for severance of land should be subject to any limits which are set by the Regional Council.

Conservation

Although conservation is often considered a function quite separate from planning, under the particular conditions found in Muskoka I am convinced the two fields are intimately related, and that any conservation activities undertaken would serve only to implement long-range planning for the Region. Because the task of planning in Muskoka is primarily to conserve the area's natural environment and assets, there is some doubt as to whether establishment of a conservation authority or

authorities covering the watersheds in Muskoka is necessary or desirable; for if effective planning measures are implemented, there would seem to be little need for the specialized conservation programs which are carried out by conservation authorities in southern Ontario.

I believe the decision as to whether it would be desirable for Muskoka to participate in a conservation authority or authorities should be left for the Regional Council, and not made by the Review. It may be that if conservation grants were to become available to assist in solving some of the special problems of an area like Muskoka - for example grants to help finance lake capacity studies to determine how much cottage development a lake can support - that a conservation authority able to receive and supervise the expenditure of such grants would be desirable.

In any event, it is felt that any Muskoka role in conservation should be at the Regional level for two reasons; first because of the intimate relationship between conservation and planning, and the primary Regional Government responsibility for the planning function; and second, because conservation authorities are established on a watershed basis, and none of the area municipalities comprises more than a part of any of the major watersheds in Muskoka. Regional Government responsibility for conservation is therefore proposed, and this would mean that the Regional Council would play the municipal role in appointing and supporting a conservation

authority should one be established. Indeed, if a larger Region were to materialize, consideration might well be given to constituting the Regional Council itself as a Conservation Authority under the Act.

Pollution Control, Sanitation and Water Supply

Along with planning, pollution control is probably the most important need facing Muskoka. Pollution control activities however really involves several related functions such as building control and inspection, plumbing inspection, septic disposal system inspection and the construction and operation of sewage disposal systems. If pollution control is to be effective it is clear that these different functions must be integrated into a cohesive program, preferably made the responsibility of a single authority.

Inspections

The key to such an effective pollution control program lies in an adequate inspection system, and if such a system is to be operated efficiently, a team approach by the various inspectors will be required.

For this reason, it is considered that the responsibility for building inspection, plumbing inspection and septic tank inspection, along with the primary responsibility for sewage disposal systems should be given to the Regional Government. Yet the job of inspecting, which requires close contact and familiarity with the local situation, is in some ways a function more suited to the area municipalities. Accordingly, it is

considered that the kind of scheme proposed for the planning function, in which the Regional Council is given the ultimate responsibility, but can delegate to the area municipalities, would be the most suitable arrangement. This would permit coordinated inspection teams organized on a regional basis, but operating in a decentralized way within each area municipality. Under such a scheme, it would probably be more appropriate that the inspectors be employed by the Regional Government rather than the area governments.

Building and Plumbing By-Laws and Permits

Building and plumbing by-laws would be handled in the same way as zoning by-laws discussed above, that is they would have to conform to Regional standards, and a consolidated by-law would be required for each area municipality at least, and perhaps ultimately for the whole Region. The Regional Council could delegate to the area councils the job of adopting and administering such by-laws subject to Regional Council approval, and the issuing of permits.

Septic Disposal Systems Control

In the case of the control of septic disposal systems, this is already an upper-tier function performed by the Health Unit and should probably continue to be performed in this way; but the Health Unit inspectors as far as possible, should be integrated into the inspection teams under Regional Government coordination, and they might also be deployed

on the same decentralized basis as the other inspectors.

Sanitary Sewer Trunk Mains and Disposal Plants

The Preliminary Recommendations suggested that sewage disposal be a lower-tier responsibility, on the ground that municipal sewerage systems are found in only a few of the existing municipalities. However, many of the submissions to the Review pointed out that this is a vital aspect of pollution control, and that a municipal sewerage system benefits not only the residents who use it, but also the whole area downstream from it where pollution is reduced. It was also pointed out that the Regional Government will be in a better position to finance such works, or at least the share of them which can be considered to benefit the Region as a whole. I feel that these are convincing arguments for a Regional Government role in the provision of municipal sewage disposal systems. I am also of the opinion that this role is likely to be more effective if it is not limited to financial participation, but includes responsibility for the actual operation of sewage treatment plants. As effective pollution control may also in time require the construction of considerable lengths of trunk sewer mains, it is felt that such mains along with the sewage treatment plants should logically be made Regional Government responsibilities. This would follow the practice established in Metropolitan Toronto and the Regional Municipality of Ottawa-Carleton.

Sanitary Sewer Local Collector Mains

The local sewage collection system on the other hand, is more properly an area municipality concern, although extensions of local sewer mains should require Regional Council approval because of their planning implications. The Regional Council should also be responsible for determining which mains are to be considered trunk mains, and which local collector mains, after consultation with the area municipalities.

Storm Drainage

Storm drainage is generally handled along with roads in the rural areas, where the roadside drainage ditch or culvert is usually the only facility required. In the urban centres however, buried storm sewers may be required. Accordingly, I believe this function should be divided between the Regional and the local governments, following the principle in the rural areas that responsibility for drainage alongside roads would be according to the jurisdiction of the road itself, and in the urban areas following the principle proposed above for sanitary sewer mains, i.e. limiting the Regional responsibility to storm drainage trunk mains only. Again, it would be the responsibility of the Regional Council to determine which mains, if any, would be classified as trunks.

Garbage Collection

It is felt this should clearly be a responsibility of the area municipalities.

Garbage Disposal

As the provision of suitable garbage disposal sites is becoming increasingly difficult in certain parts of the Region, and since it may well prove desirable to provide common facilities for two or more area municipalities, it is felt that the Regional Government should be made responsible for the provision of disposal sites. And if it should at any time prove desirable to employ garbage incineration, the provision of the incinerator facilities should also be a Regional responsibility. The operation and maintenance of dumps or incinerator facilities, is however a function better suited to the area municipalities. Garbage disposal is therefore proposed as a divided function between the two tiers.

Water Quality Sampling

This is a function presently carried out by the Health Unit, and one which should remain a Regional responsibility.

Water Purification and Distribution and Water Billing

Unlike sewage disposal, municipal water systems do not benefit a wider area than that directly served, except insofar as pure water is everywhere necessary for the protection of public health. Accordingly, I do not feel this function belongs with the Regional Government either in whole or in part. It is possible of course that water billing might benefit from the use of computer facilities in the same way as tax billing, but there is no reason why the municipalities with water systems cannot

arrange for such billing service with the computer centre if they so desire.

Roads and Traffic

Regional Roads

As noted in the Research Report and suggested in the Preliminary Recommendations, there is a class of municipal roads in Muskoka which serve the Region or a large part of it, but which are not properly a part of the provincial highway system. Such roads serve more than a single area municipality, and with the advent of Regional Government, I propose that all such roads should be taken over as a Regional Road System by the Regional Government. It would be a responsibility of the Regional Council to define which roads are to be included in the Regional Road System, as soon as possible after the Council is established.

It may also be argued that some or all of the secondary King's Highways in Muskoka should be treated as Regional Roads, because in the Counties of southern Ontario such roads are part of the County Road Systems. If suitable financial arrangements can be made between the Province and the new Regional Government, I am convinced that these roads should also become part of the Regional Road System. With all the other pressing problems facing the Region however, I believe the financial arrangements in question should ensure that no significant additional financial burden is placed on the Regional Government if it takes over the secondary highways.

Since working out such financial arrangements is likely to require considerable negotiation, I feel it is beyond the scope of the Review to deal with this matter. It should therefore be left as a matter for discussion and negotiation between the Provincial and Regional Governments, after the Regional Government has become established.

Local Roads

The remaining roads, of those under municipal jurisdiction, would be made entirely a responsibility of the area municipalities, except that Regional Council approval should be required before any are extended, or closed, because of the implications for planning. Similarly, unopened road allowances should be a responsibility of the area municipalities unless any of them are designated as regional by the Regional Council; but Regional Council approval should be required before any are sold off.

An area council should however, be permitted to contract for road work with the Regional Council, with another area council, or with the Department of Highways.

Sidewalks

These will generally be found only in the urban areas, and should be an area municipality responsibility.

Street Cleaning

Again this is generally of concern only in the urban areas, and should be made an area municipality function.

Street Lighting

This is also generally of concern only in the urban areas, and it should therefore be a responsibility of the area municipalities. Some of the Regional Roads may however require lighting at certain locations for traffic safety, and where this occurs, such lighting should be a Regional Government responsibility.

Traffic Lights and Crosswalks

Again these facilities will largely be confined to the urban areas and should be mainly an area municipality responsibility. Traffic lights required on Regional Roads however should be treated as a Regional responsibility.

Parking Meters and Municipal Parking Lots

These are felt to be matters of purely local concern and should be placed entirely under area municipality jurisdiction.

Recreation and Community Services

Regional Parks

Public parks under municipal jurisdiction which serve a wider than local area because of their size or special features, should be a

Regional responsibility. Muskoka would benefit from more parks of this nature, and they are more likely to be developed if the financial resources of the Regional Government are available for the purpose. The definition of which parks fall in this category should again be the responsibility of the Regional Council. The joint submission received from Port Sydney, Brunel, Cardwell, Chaffey, et al suggested that parks of more than 5 acres should be taken over by the upper-tier government. In general, such a dividing line would seem quite practical, although in certain cases a somewhat smaller park offering special attractions which serve a wider area might also be classified as Regional.

Local Parks

The remaining parks under municipal jurisdiction would be classified as local, and made a responsibility of the area municipalities.

Recreation Programs

The conduct of recreation programs is considered to be a function which can best be handled by the area municipalities, in close touch with the recreational interests of their residents. There is no reason why some of these programs should not make use of Regional park facilities however.

Community Centres, Arenas and Ice Rinks

As with parks, it is felt that some of these facilities should be

the responsibility of the area municipalities, while others, larger in size or of a more specialized nature and serving a wider area, might be Regional responsibilities. Again, the Regional Council should be given the responsibility for deciding which facilities of this kind, if any, should be designated as Regional. It is also possible that the day-to-day operation of such a Regional facility might be more advantageously handled by the area municipality in which it is located, and this sort of arrangement should not be precluded.

Museums

Museums and similar facilities can serve as important tourist attractions, and while some of them are essentially local in nature, others may be of sufficient importance or entail such significant costs that they would justify and require Regional Government support. Accordingly this should also be a divided responsibility, with the Regional Council to decide whether a museum should be classified as local or regional. Once more it is felt that provision should be made for an area municipality to take on responsibility for the operation of such a regional facility, if this should prove desirable. And provision should also be made for financial support of such facilities by either or both levels of government in cases where government ownership of the facility is not warranted.

Libraries

Library service was proposed as a lower-tier function in the

Preliminary Recommendations, and this view was supported by the submission from the Bracebridge Public Library Board. The Algonquin Regional Library System on the other hand proposed that it take over the libraries in Muskoka, while other submissions, notably the joint brief from the municipalities of Port Sydney, Brunel, Cardwell, Chaffey, et al, urged that library services be made an upper-tier responsibility.

In my view, the main fact to emerge from the public hearings concerning libraries was the strong indication that if libraries are left as a lower-tier function, it will be very difficult if not impossible to afford the full-time services of a professionally trained librarian in Muskoka. At the same time, I am of the opinion that with the development of Regional Government, it is not appropriate that such an important municipal service as libraries should be placed in the hands of a quasi-provincial agency like the Algonquin Regional Library System; on the contrary, once Regional Governments have been established - and I am assuming the one including Muskoka will ultimately encompass a considerably larger area than the present District - it would seem much more logical to phase out the Provincial Regional Library System and hand over its responsibilities to the Regional Governments.

There is another possibility which deserves consideration however, and that is to make libraries a responsibility of the new District Boards of Education. Because of the relationship of library service to

the fields of both adult and child education, and because of the large and growing investment in school library facilities, such an arrangement would have certain obvious advantages, among them the possibility of increased financial support for public library facilities, and the prospect of making some use of school library facilities or bookstocks for public library purposes.

In the long run however, I am not convinced that such an arrangement would prove beneficial, either for public library service, or for local government in general. As an appendage of the Board of Education, the public library might well find it difficult to compete for funds against the higher priorities which most educators would give to the school system, particularly if a slowdown in future school tax increases leads to tighter school budgets than in the past. Moreover, placing public libraries under the Boards of Education would make the latter multi-purpose instead of single purpose bodies, thus tending to reinforce the present split of local government as between municipal and school purposes.

Accordingly, I could not recommend the transfer of public libraries to the jurisdiction of the Board of Education.

This then leaves the alternative of making libraries a responsibility of the Regional Government. I am convinced this would offer immediate benefits to the existing libraries in the District by making it

feasible to employ a full-time professional librarian whose services would be shared among the libraries; and in the long run, I am confident this arrangement will prove the best means of improving library service while retaining effective municipal control. Moreover, it will establish a Regional Government capability in this field which, if the governmental Region is enlarged, would then be in a position to take over various responsibilities from the Provincial Regional Library System. If this latter change should some day come about however, I doubt that the service to school libraries which is now provided by the Regional Library System should be transferred to Regional Government; it would seem more logical instead to transfer this aspect to the Boards of Education.

Thus it is proposed that responsibility for public libraries in Muskoka be given to the Regional Council. This should not preclude the continuation of present supporting services received by the existing libraries from the Algonquin Regional Library System, as long as the latter continues.

Health

Public Health Services

The provision of public health services is presently the responsibility of the Health Unit, and it is considered that this should remain an upper-tier function.

Hospital Planning and Financial Support

Insofar as municipal government becomes involved in the planning of hospital facilities and the provision of financial support for them, it is considered that the Regional Government should be the one involved, because of the large area served by each hospital.

Emergency Ambulance Services

Again this is felt to be logically a responsibility of the Regional Government but a word of explanation is required. The Province has accepted the responsibility of supporting local ambulance services, and sets the standard of service required to qualify for Provincial subsidy. The Regional Government responsibility that is proposed therefore amounts only to assuring that adequate emergency ambulance services are made available throughout the Region by private operators, with the help of the Provincial subsidy.

Welfare

The three main fields of welfare were proposed as Regional responsibilities in the Preliminary Recommendations Report. Considering them in turn:

General Welfare Administration

This function is now performed by the present local municipalities, but the submissions to the Review, with only a couple of exceptions,

supported its transfer to the new upper-tier government. Because Child Welfare and the Home for the Aged are already District-wide responsibilities, and because of the increasing need to coordinate all welfare programs and to make use of professionally trained workers in the provision of general welfare assistance, I am convinced that this function should also be made a Regional responsibility.

Child Welfare

This should remain a Regional responsibility.

Homes for the Aged

This should remain a Regional responsibility.

Hospitalization of Indigents

This is now a responsibility of the present local municipalities, but like general welfare assistance I feel it should be handled at the Regional level.

Other Welfare Services

With the above welfare services all proposed as Regional responsibilities, an integrated and efficient Regional welfare program should be possible. Certain other welfare services which have not been listed such as day care nurseries, homemakers' services, and support of nursing homes should also be considered Regional responsibilities, so that all fields of welfare would be comprised at the Regional level.

ProtectionPolice

At present the Ontario Provincial Police force serves all of Muskoka with the exception of the towns of Gravenhurst, Bracebridge and Huntsville, each of which maintains its own police force. Under the proposed area municipalities, a decision will have to be reached with regard to these three existing municipal police departments, as to whether they should be expanded to cover the whole of the three area municipalities involved, kept as they are to serve just the three urban centres, or have their responsibilities reduced to by-law enforcement and the control of minor infractions throughout the new area municipalities, handing their other functions over to the O.P.P.

The three towns concerned, in their submissions to the Review, were unanimous in favouring the last of these three alternatives, and I am also of the opinion that this solution would be the most sensible one, because it would place the entire Region under the coordinated protection of the O.P.P., and because it would relieve the area municipalities of significant expenditures. It would of course require waiving the present legislative requirement that towns of 5,000 and over shall provide their own police protection.

The Ontario Police Commission has previously indicated the

desirability of eliminating the smaller police forces in Ontario either by merging them into larger municipal forces, or by having the O.P.P. take over their responsibilities. Thus the proposal endorsed by Gravenhurst, Bracebridge and Huntsville would fit in with the long-range policy of the Ontario Police Commission, although the current budget restraint on additional Provincial spending may mean that the O.P.P. is not presently in a position to take on this added responsibility; in the long run however, the proposal should prove feasible.

The remaining alternative not yet discussed, of establishing a Regional police force, is evidently not favoured by either municipal officials in Muskoka - because of the high cost of protecting such a large area - or by the Ontario Police Commission - because such a Regional force would still be too small for optimum efficiency.

Thus the transfer of police protection responsibilities to the O.P.P. would appear to be the most desirable solution. This would leave by-law enforcement as the major area of municipal concern in this field, and I believe this is a function which would be better handled by the area municipalities than by the Regional Government. It would of course, be necessary for each of the area municipalities to perform this function.

One further matter must be mentioned: I see no reason why the local officers, though primarily concerned with by-law enforcement, should

not also be empowered to perform certain functions of a police nature such as patrolling for signs of burglary, and controlling rowdyism at least until the O.P.P. can be summoned.

Fire

It was proposed in the Preliminary Recommendations Report that the primary responsibility for fire protection should lie with the area municipalities, but that the Regional Government should play a role in setting up an improved communication system, in the purchasing of equipment, in establishing training programs, and in fire prevention and public information programs. In general this position was supported in the submissions to the Review, and I am still of the opinion that this approach is the most sensible one for an area like Muskoka, at least for several years to come. I would only add that the Regional role as listed above, should be somewhat strengthened by making the Regional Council responsible for overall coordination of the local forces, for the adoption of a standard fire prevention code throughout the Region, and for ensuring that each area municipality provides a desirable minimum level of fire protection. It is also likely that the Regional Government through its role in capital financing, may be able to assist the area municipalities in the purchases of necessary fire-fighting equipment. Centralized facilities for the maintenance of equipment might also be considered.

This would still leave the major fire protection job to the area

municipalities however, and it goes without saying that it should be made mandatory for each of the area municipalities to provide this service. I am also convinced that each of the area municipalities should participate in the Fire Mutual Aid System, and I see no reason to disturb the present mutual aid arrangements which extend into Parry Sound. Nor should the joint department operated by Ridout in Muskoka and Sherborne, McClintock and Livingstone in Haliburton, be disturbed unless and until suitable other arrangements for the areas served by this department are made.

Fire protection would thus be a function divided, along the lines suggested above, between the area municipalities and the Regional Government.

Emergency Measures

There is at present no Emergency Measures Organization in Muskoka although some consideration has been given to forming such an organization at meetings of the Muskoka District Council. A recent disaster exercise carried out by the South Muskoka Memorial Hospital gave indication of the need for better organization in the event of a serious emergency or disaster, and I am of the opinion that an Emergency Measures Organization for Muskoka will probably be established at some time in the future. I believe the decision to do so however should be left to the proposed new Regional Government, and not made by the Review.

If an Emergency Measures Organization is established, it should, by its very nature, be made a responsibility of the Regional level of government.

Life Saving

This is not so much a separate function, as one which is generally performed by the fire brigades, or by life guards maintained at some of the public beach areas. With the continued growth of the summer population, this is likely to become a more important function in future. It should however, remain a local function to be performed by the area municipalities, where best use can be made of the training and equipment of the fire brigades.

Housing and Renewal

Public Housing

The provision of public housing both for needy families and elderly persons, is already a matter of local concern in some areas, and may be expected to increase somewhat in importance in future, due to rising housing costs.

Such needs are likely to remain localized however, and accordingly I am of the opinion that the municipal role in the provision of public housing should be made a responsibility of the area municipalities.

Urban Renewal

Urban renewal has not been a matter of major importance in the past in Muskoka, but the ARDA-supported project in Bala suggests that renewal of parts of some of the towns may in future prove desirable. As with public housing, such projects would however be quite localized, and accordingly the municipal role in any future urban renewal schemes should be made an area municipality responsibility.

Rural Rehabilitation

This again is a field which has been of little concern in the past, but with the growing abandonment of farmland in the District, and the possibility of senior government assistance, rural rehabilitation may perhaps assume greater importance in Muskoka in the future. Because such programs, to be effective, are likely to cover broad areas, I believe the municipal role in rural rehabilitation should be made a responsibility of the Regional Council.

Economic Development

Tourist Promotion

The Preliminary Recommendations Report proposed that both tourist promotion and industrial promotion should be made responsibilities of the Regional Government, in order to coordinate these two aspects of economic development, to provide a single channel for communication between local government and the Muskoka Tourist Association, to reduce

inter-municipal competition for industrial assessment, and to obtain better financial support for such promotional activities.

This position was supported by the submissions of the Muskoka Tourist Association, the Towns of Gravenhurst, Bracebridge and Huntsville, and the Township of Chaffey. The Township of Muskoka however, questioned whether tourist and industrial promotion should be made exclusively Regional functions.

I am still of the opinion that they should, and accordingly it is proposed that the municipal role in tourist promotion be made entirely a Regional Government responsibility. This should not be taken to imply that the Regional Council should take over direct responsibility for tourist promotion from the Muskoka Tourist Association; it is probable that the most suitable municipal role will remain that of providing financial support for the MTA.

Industrial Promotion

In the light of the foregoing comments, it is also proposed that this function be made entirely a Regional Government responsibility.

Other Municipal Services

Local Hydro-Electric Systems

This discussion pertains to the electric systems but not the waterworks, though since the two are combined under existing Public

Utilities Commissions, they are related matters. The waterworks have already been dealt with above, it being proposed that they be made area municipality responsibilities.

At present only the Towns of Bracebridge, Gravenhurst and Huntsville have their own hydro-electric systems, although Windermere is a "cost-contract municipality" with Ontario Hydro, and Bala and Port Carling are served by Ontario Hydro under a "local system" arrangement which has been in effect since their locally-owned systems were purchased by Ontario Hydro in the 1930's. Thus, it may be said that Ontario Hydro serves all of the District outside the three larger towns, but with special arrangements in Bala, Port Carling and Windermere.

The main question for the Review is whether the present local hydro-electric systems should be a lower or upper-tier responsibility, or whether they should be taken over by Ontario Hydro.

I do not feel the Review is in a position to resolve this issue, and accordingly it is proposed that it be discussed by officials of the three local hydro systems and Ontario Hydro.

This means that at least at the outset of the new Regional Government, the existing local hydro systems should be continued as municipal rather than provincial responsibilities. The question then remains as to whether they should be made responsibilities of the Regional or area

municipality governments until such time as discussions with Ontario Hydro reach a conclusion as to the best long-term arrangement. Because of the localized nature of these systems, and their relationship with local waterworks under present P.U.C. arrangements, I am of the opinion that they should be made area municipality responsibilities during this period. And until their ultimate fate has been decided, I believe they should not be expanded to serve larger areas within the new area municipalities (this limitation should not apply to the waterworks of course). As one of the long term possibilities would be for the three existing electric systems to be taken over by the Regional Government, I believe that the Regional Council should also be represented at the proposed discussions between officials of the three local systems and Ontario Hydro. Because some changes may also prove desirable with regard to the present arrangements for Bala, Port Carling and Windermere, it would also be appropriate for these localities to be represented at the discussions.

Cemeteries

It is considered that this function should obviously be made a responsibility of the area municipalities.

Grants to Cultural Organizations

This is a function which I believe both levels of government should be permitted to undertake. Each will in time develop its own policies for making such grants, and some coordination of the respective

policies will no doubt prove desirable to ensure that the various cultural organizations are treated equitably. But these matters are better left to the respective councils, and don't warrant restricting either level of government in this regard.

That completes the division of functions between the two tiers of government. The proposals which have been made above are summarized by Table 6. I believe the overall division is a reasonable one, which both creates a strong Regional Government, and at the same time leaves a great many significant functions for the area municipalities.

In essence, the division proposed is that of a true federation, in which both tiers are equal partners, given different responsibilities to fulfill. In the vital fields of planning and pollution control however the relationship proposed between the two tiers is not that of a federation, but rather one which makes the lower tier clearly subordinate to the upper so as to ensure that the Regional Government has clear-cut authority and responsibility to see that these functions are effectively performed, while retaining essential participation of the area municipalities in the process.

Accordingly I recommend that:

FUNCTIONS BE ALLOCATED BY LEGISLATION BETWEEN

TABLE 6. PROPOSED DIVISION OF FUNCTIONS

A = Area Municipality Function R = Regional Government Function

() = Subordinate Role

Administration

council agenda, minutes, etc.	A	R
business licenses		R
other licenses, including canine control	A	
voters' lists and election administration	A	R
purchasing	A	R
legal and accounting	A	R

Finance and Taxation

financial planning and budget preparation	A	R
capital borrowing		R
taxation of property, including local improvement charges	A	
tax billing		R
courts of revision		R
collection of fines	A	

Planning

Official Plans	(A)	R
subdivision approvals and agreements	(A)	R
zoning	(A)	R
committees of adjustment	A	R
conservation		R

Pollution Control, Sanitation and Water Supply

building by-laws, permits and inspections	(A)	R
plumbing by-laws, permits and inspections	(A)	R
septic tank permits and inspections		
(Health Unit)		R
sanitary sewer trunk mains and disposal plants		R
sanitary sewer local collector mains	A	
storm drainage	A	R
garbage collection	A	
garbage disposal	A	R
water quality sampling		R
water purification and distribution, including billing	A	

Protection

police — by-law enforcement	A	
fire	A	R
emergency measures		R
lifesaving	A	

Roads and Traffic

regional roads		R
local roads	A	
sidewalks	A	
street cleaning	A	
street lighting	A	R
traffic lights and crosswalks	A	R
parking meters and municipal parking lots	A	

Recreation and Community Services

regional parks		R
local parks	A	
recreation programs	A	
community centres, arenas and ice rinks	A	R
museums	A	R
libraries		R

Health

public health services		R
hospital planning and financial support		R
emergency ambulance services		R

Welfare

general welfare administration		R
child welfare		R
homes for the aged		R
hospitalization of indigents		R
other services		R

Housing and Renewal

public housing	A	
urban renewal	A	
rural rehabilitation		R

Economic Development

tourist promotion		R
industrial promotion		R

Other Municipal Services

local hydro electric systems	A	
cemeteries	A	
grants to cultural organizations	A	R

THE UPPER AND LOWER TIER GOVERNMENTS IN ACCORDANCE WITH THE DIVISION SET OUT IN TABLE 6, INTERPRETED IN THE LIGHT OF THE DISCUSSION IN CHAPTER 11.

THAT THE RELATIONSHIP BETWEEN THE TWO TIERS BE THAT OF A FEDERATION IN WHICH BOTH TIERS ARE EQUAL PARTNERS GIVEN DIFFERENT RESPONSIBILITIES, EXCEPT FOR PLANNING, SUBDIVISION CONTROL, ZONING, BUILDING CONTROL, PLUMBING CONTROL AND SEPTIC DISPOSAL SYSTEM CONTROL, FOR WHICH THE REGIONAL COUNCIL SHALL BE RESPONSIBLE BUT PERMITTED TO DELEGATE AS IT SEES FIT TO THE AREA COUNCILS, WHICH WILL BE SUBORDINATE TO THE REGIONAL COUNCIL IN THESE FIELDS.

Reference has been made in the above discussion to several other matters which deserve specific recommendations. Accordingly I recommend that:

THE PROPOSED REGION BE DEFINED AS A SINGLE PLANNING AREA UNDER THE PLANNING ACT.

THE LEGISLATION ESTABLISHING THE REGIONAL GOVERN-

MENT REQUIRE THE REGIONAL COUNCIL TO ADOPT AND SUBMIT TO THE MINISTER, WITHIN THREE YEARS OF THE DATE THE REGIONAL GOVERNMENT COMES INTO EFFECT, AN OFFICIAL PLAN FOR THE PLANNING AREA.

THE LEGISLATION ESTABLISHING THE REGIONAL GOVERNMENT DESIGNATE THE WHOLE OF THE REGION AS AN AREA OF SUBDIVISION CONTROL, AND UNTIL SUCH LEGISLATION TAKES EFFECT, THE MINISTER USE HIS POWERS UNDER SECTION 27 OF THE PLANNING ACT TO ESTABLISH INTERIM SUBDIVISION CONTROL IN THOSE PARTS OF THE REGION WHERE NO SUBDIVISION CONTROL BY-LAW IS NOW IN EFFECT.

THE LEGISLATION ESTABLISHING THE REGIONAL GOVERNMENT REQUIRE THE REGIONAL COUNCIL, WITHIN A REASONABLE TIME OF ITS INAUGURAL MEETING, TO DESIGNATE THE FACILITIES TO BE INCLUDED IN THE REGIONAL SEWER SYSTEM, AND THE REGIONAL ROAD SYSTEM; AND PERMIT THE REGIONAL COUNCIL TO DESIGNATE FROM TIME TO TIME WHICH IF ANY PARKS, COMMUNITY CENTRES, ARENAS, ICE RINKS, MUSEUMS, OR SIMILAR FACILITIES WILL BE ASSUMED BY THE REGIONAL GOVERNMENT.

The functions for which a division has been proposed are those generally accepted as municipal rather than Provincial responsibilities. With the advent of Regional Government however, it will become feasible, and I believe desirable, for the Province to delegate certain additional responsibilities to the new system of municipal government. While such delegation should in time be considered in several fields, it is in the field of planning that I feel it will prove most beneficial, and accordingly I recommend that:

THE LEGISLATION ESTABLISHING THE REGIONAL GOVERNMENT EMPOWER THE MINISTER OF MUNICIPAL AFFAIRS TO DELEGATE TO THE REGIONAL COUNCIL ANY OF HIS POWERS OF APPROVAL UNDER THE PLANNING ACT.

A contrasting situation exists with regard to police protection however, which it is felt can best be provided in Muskoka by the O.P.P. I therefore recommend that:

THE ONTARIO PROVINCIAL POLICE ASSUME RESPONSIBILITY THROUGHOUT THE REGION FOR POLICE PROTECTION, LEAVING BY-LAW ENFORCEMENT AS AN AREA MUNICIPALITY RESPONSIBILITY; BUT IF THE O.P.P. IS UNABLE FOR THE TIME BEING TO TAKE ON THIS ADDITIONAL WORKLOAD, AREA MUNICIPALITY RESPONSIBILITY FOR

POLICE PROTECTION IN THE INTERIM BE LIMITED
TO THE PROPOSED GRAVENHURST, BRACEBRIDGE
AND HUNTSVILLE WARDS.

CHAPTER 12BOARDS, COMMISSIONS, AND COUNCIL COMMITTEESTHE PRINCIPLE OF DIRECT COUNCIL CONTROL

Muskoka has so far avoided the great proliferation of local boards and commissions which is found in many other parts of the Province. Nevertheless, an important group of municipal services is already handled by boards and commissions which are at least one step removed from direct council control. Leaving aside the District Board of Education, these include the Boards of the Muskoka-Parry Sound District Health Unit, the Muskoka District Children's Aid Society, the Muskoka District Home for the Aged, along with the several Planning Boards and the separately elected Public Utilities Commissions. There are also a number of less important matters handled by local boards, such as community centres, parks, libraries, recreation programs, museums, cemeteries, and industrial promotion.

The fundamental issue to be considered is whether separate, ad hoc special purpose bodies such as these should be continued, in which case the future is likely to bring a greater profusion of them, or whether these functions should be brought under direct council control. Like others who have studied local government arrangements, I have become convinced that the advantages of council control - which brings the administration of

these functions close to the people through their elected representatives and which establishes clear-cut responsibility for them - more than outweigh the advantages of separate board operation.

But council control need not eliminate the use of appointed citizen members, whose contributions present the strongest argument for the separate board system. Indeed, it is possible to combine the principle of council control with the appointment of knowledgeable citizens interested in a particular function, by permitting the council to co-opt such members onto council committees, so long as the majority of the voting members on each committee are sitting members of the council. In this way, the valuable contributions of the many able citizens who for one reason or another, are unwilling or unable to stand for municipal election, but who are willing to serve as appointees, need not be lost and might even be increased over the present situation.

I am therefore in favour, wherever possible, of returning functions to council control by replacing boards and commissions by committees of council on which a majority of the voting members shall be councillors, but to which the council may co-opt citizen members. Such members, if given voting privileges, should be in a minority; but they need not be limited in number as non-voting members.

COUNCIL COMMITTEES

To carry out the necessary control of functions, I believe each council should establish a number of standing committees. With the exception of certain committees for which particular functions need to be specified, I feel that the Review should not attempt to predetermine the committees required, but should leave this to the discretion of each council.

The first committee which needs to be specified is the Executive Committee. As was stated in the Preliminary Recommendations, and implied by the system of representation proposed in Chapter 10, I am of the opinion that an Executive Committee, elected by the councillors from among themselves, is clearly superior to a Board of Control. Moreover, I feel that each of the larger councils - including the Regional Council and the councils of the four urban-centered area municipalities - will require an Executive Committee, smaller than the council as a whole. But in the case of the two remaining area municipalities for which five-man councils have been proposed, it is thought the council as a whole may wish to perform the executive functions. The size of the Executive Committee to be established by each of the other area councils can safely be left to council discretion I think. In the case of the Executive Committee of the Regional Council however, I believe the legislation should stipulate that it comprise a representative of each of the six area municipalities plus of course, the Regional Chairman. While this arrangement would some-

what over-represent the two less-populous municipalities on the Executive Committee, I do not believe this to be a serious fault because they are not over-represented on the Regional Council as a whole; and I feel it more important to keep the Executive Committee to a workable size than to expand it in accordance with rep by pop.

In the light of the above considerations I therefore recommend that:

COUNCILS BE PERMITTED TO ESTABLISH STANDING COMMITTEES AND TO CO-OPT NON-ELECTED CITIZEN MEMBERS TO THEM , SO LONG AS A MAJORITY OF THE VOTING MEMBERS OF EACH COMMITTEE ARE SITTING MEMBERS OF THE COUNCIL.

And I further recommend that:

AN EXECUTIVE COMMITTEE OF THE REGIONAL COUNCIL BE ELECTED EACH YEAR BY THE REGIONAL COUNCILLORS FROM AMONG THEMSELVES , COMPRISING ONE REPRESENTATIVE OF EACH OF THE AREA MUNICIPALITIES, PLUS THE REGIONAL CHAIRMAN WHO SHALL ALSO SERVE AS CHAIRMAN OF THE EXECUTIVE COMMITTEE.

And I also recommend that:

AN EXECUTIVE COMMITTEE OF EACH AREA COUNCIL BE

ELECTED EACH YEAR BY THE COUNCILLORS FROM
 AMONG THEMSELVES, OF A SIZE TO BE DETERMINED
 BY EACH COUNCIL, PROVIDED THAT THE FIVE-MEMBER
 COUNCILS BE PERMITTED TO HAVE THE COUNCIL AS A
 WHOLE PERFORM THE EXECUTIVE FUNCTIONS.

BOARDS AND COMMISSIONS

Turning to a consideration of the existing boards and commissions, it is necessary to discuss how the functions of each may best be handled under the proposed Regional Government system.

Planning Boards

I am convinced that the principle of direct council control discussed above is essential if planning is to be strong and effective. Moreover, I believe that planning is of such vital importance that it should be handled by the executive committee, rather than another standing committee of the council.

The planning system proposed involves an upper-tier or Regional Planning Board, and a subordinate Area Planning Board for each of the area municipalities. These are referred to as boards, and this is still considered the most appropriate term to use, but in nature they will really be committees of council with additional co-opted citizen members, the latter to have only minority voting power. In each case, the executive committee if there is one, or the council as a whole if there is not, should sit on the planning

board, along with a number of co-opted members, and any additional councillors which the council as a whole considers it desirable to appoint. So long as the council members retain majority voting power, I believe both the number and the appointment of the co-opted members can safely be left to council decision and need not be subject to approval by the Minister. The council should however, establish the composition of the planning board and appoint the co-opted members by by-law. The appointments could be for such terms as the council decides.

Accordingly, I recommend that:

A REGIONAL PLANNING BOARD, AND AN AREA PLANNING BOARD FOR EACH AREA MUNICIPALITY, BE ESTABLISHED BY LEGISLATION, EACH BOARD TO COMPRISE THE EXECUTIVE COMMITTEE OF COUNCIL IF THERE IS ONE, OR THE WHOLE COUNCIL IF THERE IS NOT, ALONG WITH SUCH OTHER COUNCILLORS AND CO-OPTED CITIZEN MEMBERS AS THE COUNCIL MAY DETERMINE AND APPOINT BY BY-LAW, PROVIDED THAT A MAJORITY OF THE VOTING MEMBERS OF EACH BOARD SHALL BE COUNCILLORS.

Committees of Adjustment

As indicated in the previous chapter, it is felt that the committee of adjustment functions should be performed at the lower tier, except for

control by the Regional Council over the number of land severances which a committee can give consent to.

The question arises however as to whether the principle of direct council control should apply in the case of committees of adjustment. The Planning Act stipulates that it shall not, by declaring that "a member of council of the municipality or an employee of the municipality or of a local board thereof is not eligible to be a member of a committee of adjustment" (Section 32A), the reason being presumably that because of its quasi-judicative function a committee of adjustment should have a degree of independence from the council, so as to ensure impartiality in its decisions.

Accordingly, I recommend that:

A COMMITTEE OF ADJUSTMENT BE ESTABLISHED UNDER THE PLANNING ACT FOR EACH OF THE AREA MUNICIPALITIES, BUT THAT THE LEGISLATION ESTABLISHING REGIONAL GOVERNMENT EMPOWER THE REGIONAL COUNCIL TO DETERMINE THE NUMBER OF LAND SEVERANCES WHICH EACH COMMITTEE MAY CONSENT TO.

Courts of Revision

A court of revision must decide whether an assessment is fair and equitable, and the council of the municipality involved is an interested

party with a desire for increased assessment. Thus the Assessment Act again stipulates that councillors may not be members of courts of revision.

With the Province taking over the assessment function I am of the opinion that courts of revision should be appointed by the Regional Council.

Accordingly, I recommend that:

THE REGIONAL COUNCIL CONSTITUTE BY BY-LAW A
COURT OF REVISION FOR EACH AREA MUNICIPALITY,
UNDER THE PROVISIONS OF THE ASSESSMENT ACT.

Other Local Boards

There are a number of other boards of the present local municipalities, responsible for such matters as libraries, community centres, parks, recreation, museums, cemeteries and industrial promotion. The future division of the functions now handled by these boards as between the upper and lower tiers has been considered in the previous chapter.

In each of these cases, I feel that the principle of direct council control should be adhered to by placing the function under a committee of council which may comprise any number of co-opted citizen members but on which the majority of voting members shall be councillors.

Accordingly, I recommend that:

LIBRARIES , COMMUNITY CENTRES , PARKS, RECREATION, MUSEUMS, CEMETERIES, INDUSTRIAL PROMOTION AND ANY OTHER MUNICIPAL FUNCTIONS OF LIKE NATURE NOW HANDLED BY APPOINTED BOARDS, BE MADE THE RESPONSIBILITY OF STANDING COMMITTEES OF THE COUNCILS CONCERNED, THE COMMITTEES TO INCLUDE SUCH CO-OPTED CITIZEN MEMBERS AS THE COUNCIL MAY DETERMINE AND APPOINT BY BY-LAW, PROVIDED THAT THE MAJORITY OF VOTING MEMBERS IN EACH CASE SHALL BE COUNCILLORS: AND FURTHER, THAT THE LEGISLATION ESTABLISHING THE NEW SYSTEM OF GOVERNMENT STIPULATE THAT WHERE ANY ACT REQUIRES A BOARD TO ADMINISTER ONE OF THESE FUNCTIONS, THE RESPECTIVE COMMITTEE SHALL BE DEEMED TO BE A BOARD FOR THE PURPOSES OF THAT ACT.

Public Utilities Commissions

The public utilities commissions differ from the other local boards in that, like the Board of Education, they are elected, not appointed. For this reason, and because they are responsible for services which are supported by revenues rather than out of taxes, it can be argued that it is neither necessary nor desirable to bring them under council control.

In any event, as discussed in the previous chapter, it is felt that the future disposition of the present public utilities commissions in the District should be determined only after discussions among representatives of the P.U.C.s, Ontario Hydro, and the Regional Council, and I feel that this further issue should also be left to be determined only after such discussions have taken place.

Accordingly I recommend that:

THE EXISTING PUBLIC UTILITIES COMMISSIONS BE CONTINUED UNTIL THE MOST DESIRABLE FUTURE ARRANGEMENT FOR THE SERVICES THEY NOW PERFORM HAS BEEN DETERMINED THROUGH DISCUSSIONS INVOLVING REPRESENTATIVES OF THE P.U.C.S, ONTARIO HYDRO, AND THE REGIONAL COUNCIL, AND THAT IN THE MEANTIME, EXTENSION OF THEIR SERVICE AREAS BE CONSIDERED ONLY FOR WATER AND NOT ELECTRIC POWER, AND NOMINATIONS AND ELECTIONS FOR THE COMMISSIONS TAKE PLACE ONLY WITHIN THEIR RESPECTIVE SERVICE AREAS, THE PRESENT WINDERMERE COMMISSION TO CONTINUE TO COMPRISE THREE COUNCILLORS BUT FROM THE AREA MUNICIPALITY COUNCIL.

Present District Boards

This now leaves the present District Boards dealing with Health, Child Welfare, and the Home for the Aged, to be considered, along with the

related field of General Welfare Assistance which like the others, is proposed as an upper-tier function. The present arrangements with regard to each of these functions have been described in Chapter 3, and the summary of submissions to the Review in Chapter 4 indicated that opinion is divided on the issue of bringing the District Boards more directly under council control. Bracebridge, Gravenhurst, Huntsville, Draper, Muskoka, Ryde, and the Muskoka Lakes-Lake of Bays-Peninsula Lake Associations are in favour of doing so, and Freeman, Macaulay, Oakley, the Muskoka-Parry Sound Health Unit, and the Muskoka Law Association are opposed. The issue is complicated by the fact that the Health Unit includes a major part of the District of Parry Sound with representation from that area as well as from Muskoka on the Health Unit Board, and by the fact that Children's Aid Societies throughout the Province have only a minority of municipal representatives on their Boards.

In the Preliminary Recommendations Report I took the position that desirable as it might be in the long run to bring the District Boards under council control, this would be a more drastic solution than is actually required at the present time, and accordingly I was then inclined to favour appointment of Regional Councillors to fill a minority of the positions on each Board.

Since then I have given this matter much serious thought, and have become convinced that the central question is whether the elected

representatives, responsible to the people, can be trusted to take a strong interest in the effective provision of these services. For the argument in favour of retaining separate board control is really the argument that elected representatives are not sufficiently concerned, informed or impartial about the needs in these fields to do as good a job as appointed board members. I must admit that I feel there is some validity in this argument; but largely because the present arrangements tend to preclude councillors getting involved enough to become concerned and informed.

In the long run therefore, I have become convinced that if the Regional Council is to provide the budgets which will be required to perform these functions adequately in future, such action can only come as a result of the councillors becoming involved, informed, and therefore committed to effectively meeting the needs in these fields. In other words, the long-term solution to any lack of council interest in a necessary service is not to be found in placing that service under another body, but in involving the council so it becomes fully aware of the need. To deny this, it seems to me, is to deny the fundamental faith in representative government.

Accordingly, I am convinced that the long-term goal must be to bring each of these important regional services under Regional Council control. Moreover, I feel that this can be done in a way that not only provides the most suitable arrangement for coordinating the operation of the health and welfare services, but which also involves a minimum of

disruption to the present arrangements, simply by modifying the present composition of each Board so as to turn it in effect, into a Regional Council Committee with co-opted members.

The arrangement which I have in mind would establish four such Committees (they might still be referred to as Boards if this were considered desirable because of tradition): one each for Health, Child Welfare, Homes for the Aged, and General Welfare. To establish a standing arrangement for continuing coordination of these four related services, the four would then be combined into a Health and Welfare Committee (technically, this would really give each of the four components Subcommittee status, perhaps another reason for continuing to refer to them as Boards). With regard to the Health Unit, this arrangement would of course either have to apply only to the Muskoka representatives on the Board, or else it would require splitting the Health Unit into two parts, one for Muskoka and one for Parry Sound. As indicated previously I believe the latter would be a backward step, and therefore favour the former.

As to the size and composition of the four Subcommittees, I believe the desirable arrangement would be to have three Regional Councillors and two co-opted citizen members on each; this would involve twelve of the twenty-one Regional Councillors plus the Regional Chairman on the Health and Welfare Coordinating Committee, making it a large but still manageable

body, and it would also result in Subcommittees of five members, a desirable size.

But this would not fit into the present pattern of representation on the Health Unit Board whereby Muskoka now has in effect six of the ten zone representatives*. And it would also result in a significant reduction in the size of the Executive of the Muskoka District Children's Aid Society, from nine members to five**. On the other hand, the Muskoka District Home for the Aged Board now has five members, so that the suggested arrangement would not change its size, but only the method of appointment (all members are presently appointed by the Lieutenant Governor-In-Council from persons resident in the District).

In the case of general welfare, there should be no problem for although in Districts a General Welfare Administration Board is required

* One of the ten zones includes four Muskoka municipalities and one municipality in Haliburton, while another zone includes one Muskoka municipality and three in Parry Sound. In saying that Muskoka has six of the ten zone representatives, the first of these two zones is counted and the second is not. In addition to the ten zone representatives there are also two members of the Health Unit Board appointed by the Lieutenant Governor-in-Council; these are representatives of the Province, but in practice it is customary to appoint a citizen of Muskoka to one of these positions and a citizen of Parry Sound to the other. Looked at in this way, it could be said that seven of the twelve Board members are from Muskoka.

** The Children's Aid Society has a Board of twenty members as determined by the by-laws of the Society, and as prescribed by the Child Welfare Act an Executive of nine members, of which four are municipal representatives.

to establish this as a District-wide service, the advent of Regional Government in Muskoka should permit this function to be treated as a direct responsibility of the Regional Council, using whatever committee arrangement the Council may desire.

The Health Unit representation problem could be overcome either by adding another councillor to that Subcommittee, or by adding another co-opted member without giving him a vote on the Subcommittee; either of these changes would suffice if the present practice of having two Provincial appointees on the Board is continued; otherwise two more members rather than one would have to be added to the Health Subcommittee to fill Muskoka's share of the total present Board membership. With the advent of Regional Government, I am of the opinion that the continued appointment of Provincial representatives to local government bodies will be neither necessary nor desirable. But to bring about such a change would require either that the legislation pertaining to Health Units be amended, or that the legislation establishing Regional Government in Muskoka make special provision for such a change here.

A similiar problem is evident with the Children's Aid Society, but in this case I believe it is more serious because there are some indications of considerable opposition in various parts of the Province to the principle of bringing child welfare under Regional Government control.

Thus amendment of the Child Welfare Act in this regard might meet strong opposition, and even such a special provision in the legislation establishing Regional Government for Muskoka may prove contentious.

With regard to Homes for the Aged, no such problem is foreseen, because most of the homes in Ontario are operated as a direct council responsibility.

Returning to the desirable arrangements for health and child welfare, I believe the ideal approach would be to reduce the size of the Health Unit Board and of the Children's Aid Society Executive so as to fit in with the concept of five-member Sub-committees suggested above. This would mean in the case of the Health Unit where Muskoka now has approximately 60% of the representation (and incidently bears two-thirds of the Unit's cost to municipalities) that a Board of eight would be required, three from Parry Sound and five from Muskoka; and in the case of the Children's Aid Society Executive, it would mean a reduction from nine to five members (the Board of the C.A.S. might be comparably reduced or could be left at its present size of twenty). But it may be more expedient to increase the size of the Subcommittees than to so reduce these other bodies.

One other matter must be considered with regard to the Health Unit, having to do with the present zone arrangements for representation

purposes. With the advent of Regional Government in Muskoka the overlap of zone 4 which places Sherborne, McClintock and Livingstone in Haliburton with Port Sydney, McLean, Stephenson and Ridout, and the overlap of zone 7 which places Cardwell with Rosseau, Humphry and Christie in Parry Sound, should be altered. This might be done fairly readily by regrouping the zones outside of Muskoka so that they would include Sherborne, McClintock and Livingstone and exclude Cardwell.

In the light of the above considerations, I believe it should be feasible to aim at five-member Subcommittees of the Regional Council for General Welfare and the Home for the Aged, to leave the Health Unit Board at its present size but to replace the six Muskoka zone representatives and one of the Provincial appointees by a seven-member Subcommittees, and to modify the composition of the Children's Aid Society Executive by reducing its size to seven members, of which four would be Regional Councillors and the other three co-opted members appointed by the Regional Council rather than by the members of the Society.

Accordingly, I recommend that:

THE REPRESENTATION ZONES USED BY THE MUSKOKA-PARRY SOUND DISTRICT HEALTH UNIT BOARD BE
ELIMINATED WITHIN THE PROPOSED MUSKOKA REGION,
AND THE REMAINING ZONES BE REORGANIZED SO THEY

WILL INCLUDE SHERBORNE, MCCLINTOCK AND LIVINGSTONE AND EXCLUDE CARDWELL, AND THAT ONE OF THE PROVINCIAL APPOINTEES ALONG WITH THE SIX REPRESENTATIVES FROM THE ZONES ENTIRELY OR MAINLY IN MUSKOKA BE REPLACED BY A SEVEN-MEMBER SUBCOMMITTEE OF THE MUSKOKA REGIONAL COUNCIL, ON WHICH FOUR OF THE MEMBERS SHALL BE COUNCILLORS AND THREE CO-OPTED CITIZEN MEMBERS APPOINTED BY BY-LAW OF THE REGIONAL COUNCIL.

THE MUSKOKA DISTRICT HOME FOR THE AGED BOARD BE REPLACED BY A SUBCOMMITTEE OF THE REGIONAL COUNCIL COMPRISING THREE COUNCILLORS AND TWO CO-OPTED CITIZEN MEMBERS APPOINTED BY BY-LAW OF THE REGIONAL COUNCIL.

GENERAL WELFARE ADMINISTRATION ALONG WITH ANY OTHER WELFARE SERVICES EXCEPT CHILD WELFARE AND THE HOME FOR THE AGED, BE ADMINISTERED UNDER A SUBCOMMITTEE OF THE REGIONAL COUNCIL COMPRISING THREE COUNCILLORS AND TWO CO-OPTED CITIZEN MEMBERS APPOINTED BY BY-LAW OF THE REGIONAL COUNCIL.

THE EXECUTIVE OF THE MUSKOKA DISTRICT CHILDREN'S AID SOCIETY BE REDUCED FROM NINE TO SEVEN MEMBERS OF WHICH FOUR SHALL BE REGIONAL COUNCILLORS AND THREE CO-OPTED CITIZEN MEMBERS APPOINTED BY BY-LAW OF THE REGIONAL COUNCIL.

In the event that the last recommendation proves unfeasible, the present four municipal representatives on the Children's Aid Society Executive should be sitting members of the Regional Council, who would constitute a Child Welfare Subcommittee of the Council.

I further recommend that:

THE REGIONAL COUNCILLORS ON THE SUBCOMMITTEES FOR HEALTH, GENERAL WELFARE, CHILD WELFARE AND THE HOME FOR THE AGED COMPRISE A HEALTH AND WELFARE COORDINATING COMMITTEE UNDER THE CHAIRMANSHIP OF THE REGIONAL CHAIRMAN.

Relationship Between the Regional Council and the District Board of Education

The submission to the Review from the Township of Draper proposed that the Chairman of the District Board of Education should sit ex officio on the Regional Council, and similar ideas to establish liaison were mentioned at some of the other hearings.

While I do not feel either Chairman would have the time to sit ex officio on the other body on a regular basis, I agree that it will be essential to establish an on-going liaison between the new Regional Government and the Board of Education so that a channel of communication will be constantly open. To be most useful however, I feel such a channel should operate at the staff level as well. What I have in mind is a Liaison Committee which might comprise the Regional Chairman, Clerk and Treasurer, and the Board of Education Chairman, Director of Education, and Business Administrator.

Accordingly, I recommend that:

THE LEGISLATION ESTABLISHING REGIONAL GOVERNMENT
CONSTITUTE A MUNICIPAL-EDUCATION LIAISON COMMITTEE
COMPRISING THE CHAIRMAN OF THE REGIONAL COUNCIL,
THE CHAIRMAN OF THE MUSKOKA DISTRICT BOARD OF
EDUCATION, AND SUCH OTHER MEMBERS AS THE COUNCIL
AND BOARD MAY RESPECTIVELY APPOINT.

CHAPTER 13
ADMINISTRATION

STAFF

Area Municipality Staffs

Subject to the arrangements discussed below to provide employment security for present municipal staff members, it is felt that each area municipality council should be allowed to determine its own staff requirements in accordance with the various statutory requirements, and accordingly no recommendations in this regard are deemed necessary.

Regional Government Staff

The staff requirements of the Regional Government deserve some discussion however, for it will be necessary that the Regional Council provide for the competent administration of several important functions.

Regional Clerk

I am of the opinion that a Regional Manager, who would be over all other Regional staff members, will not be warranted at least during the first few years of operation of the new government, because of the limited number of total staff likely to be employed. Competent city or regional managers are scarce and command high salaries, and I do not believe the increased efficiency to be expected from such an arrangement would be

likely to offset the additional cost unless there is a large staff to supervise.

I am convinced however, that separate persons should be employed as Clerk and Treasurer, rather than a combined Clerk-Treasurer, because of the anticipated workload and the advantages of specialization. Due to the size of the Regional Council and the important functions it must perform, an experienced and competent Regional Clerk can play a most important role in facilitating the business of council.

Regional Treasurer

Finance is always one of the most important municipal functions, and in view of the problems facing Muskoka, competent financial planning, budgeting and financial administration will prove essential. In addition, the arrangements for long-term financial planning which are proposed in the next chapter, will require a Treasurer capable not only of handling the Regional Government's financial responsibilities, but also of advising the area municipalities on advanced techniques of financial programming and budgeting.

Accordingly, I recommend that:

THE REGIONAL COUNCIL APPOINT BOTH A REGIONAL
CLERK AND A REGIONAL TREASURER.

Regional Planner

The importance of planning, the backlog of needed planning work, and the unique environmental conditions in Muskoka, will require a qualified and capable Planning Director to advise both the Regional and Area Planning Boards. It is suggested that, initially at least, the area municipalities should not attempt to hire any planning staff of their own but rather that the emphasis should be on retaining a competent Regional Planner and such supporting staff as the Regional Planning Board may deem necessary, and on making the services of this staff available as necessary to the Area Planning Boards.

Accordingly, I recommend that:

THE REGIONAL COUNCIL APPOINT A REGIONAL PLANNING
DIRECTOR WHO SHALL BE A MEMBER OR QUALIFY FOR
MEMBERSHIP IN THE TOWN PLANNING INSTITUTE OF
CANADA.

Regional Engineer

It is proposed that the Regional Government be made responsible for a Regional Road System and Regional Sewer and Storm Drainage Works; the combined responsibilities in these fields will it is felt, more than warrant the appointment of a Regional Engineer, who should be placed in charge of these functions. In addition, he should be expected to advise the

area municipalities on matters pertaining to their roads, collector sewers, storm drainage, and waterworks, and to work closely with other officials in the pollution control program. In cooperation with the Regional Planning Director, he should also be capable of developing a Regional Road Plan.

Accordingly, I recommend that:

THE REGIONAL COUNCIL APPOINT A REGIONAL ENGINEER
TO SERVE AS ROADS COMMISSIONER AND WORKS
COMMISSIONER, WHO SHALL BE A PROFESSIONAL CIVIL
ENGINEER.

Regional Welfare Administrator

With the assumption of General Welfare Administration as a Regional Government responsibility, it is considered essential that a qualified Welfare Administrator be placed in charge of this function, as would be the case if a District Welfare Administration Board had been established to take over this service rather than a Regional Government.

Accordingly, I recommend that:

THE REGIONAL COUNCIL APPOINT A QUALIFIED
WELFARE ADMINISTRATOR TO BE PLACED IN CHARGE
OF GENERAL WELFARE ADMINISTRATION FOR THE REGION.

This recommendation should not be taken to preclude the same person being in charge of another welfare field also.

Regional Fire Services Director

It is proposed that the Regional Government assume several responsibilities with regard to fire protection, including communications, training, fire prevention, equipment purchasing, public information, and general coordination of the area municipality fire departments, although the fire-fighting forces would be the responsibility of the area municipalities.

It is considered that a Regional staff officer will be required to fulfil these responsibilities, and if he is experienced in fire protection work he should be able to offer considerable assistance to the area municipality fire departments.

Accordingly, I suggest that:

THE REGIONAL COUNCIL APPOINT A REGIONAL FIRE
SERVICES DIRECTOR.

Regional Librarian

It is proposed that public libraries be made a Regional Government responsibility, and this will require the appointment of a Regional Librarian to administer this service. While it is not essential, initially at least, that the person appointed to this position be a qualified professional librarian, the major reason for concluding that libraries should be a Regional responsibility is my conviction that this is the only way the libraries in Muskoka will be able to obtain the full-time services of a

professional librarian within the foreseeable future.

Accordingly, I suggest that:

THE REGIONAL COUNCIL APPOINT A REGIONAL
LIBRARIAN, PREFERABLY A PERSON TRAINED AND
QUALIFIED AS A PROFESSIONAL LIBRARIAN.

Inspection Staff

The need for an inspection team approach in mounting an effective pollution control program has been discussed in Chapter 11, where it was suggested that building, plumbing and septic disposal system inspectors should work under Regional supervision, but probably from decentralized bases in the area municipality offices.

While it might be argued that the building and plumbing inspectors should be employees of the area municipalities, it is felt that having regard for the need to coordinate their work with that of the Health Unit inspectors, and the possibility that an inspection team might be able to cover more than one area municipality, it would be preferable if they were also Regional employees; they should however, be permanently assigned in teams to serve one or more area municipalities and their duties should include advising the area councils concerned and preparing regular reports for them.

Accordingly, I suggest that:

THE REGIONAL COUNCIL EMPLOY ALL BUILDING AND PLUMBING INSPECTORS IN THE REGION AND ASSIGN THEM IN TEAMS, EACH TEAM TO SERVE ONE OR MORE AREA MUNICIPALITIES AND TO ADVISE AND REPORT TO THE AREA COUNCILS CONCERNED.

Contracting for Service

As it may prove advantageous for one council to contract with another or with a Provincial Department for the provision of certain services, it is suggested that such contracting should be specifically provided for, the contract arrangements in each case to be left to agreement between the parties concerned.

Accordingly, I recommend that:

EACH COUNCIL BE EMPOWERED TO CONTRACT FOR THE PROVISION OF SERVICES WITH OTHER COUNCILS OR PROVINCIAL DEPARTMENTS.

Employment Security for Present Municipal Staffs

It is considered essential that the changeover to the new system of government should not result in the loss of employment by any of the members of present municipal staffs. The fact that many of the present

staff are employed on a part-time basis, while posing some difficulties, should not prove an insurmountable obstacle. Clearly, it will not be possible to guarantee everyone a position of comparable status to the present position, but it is felt that everyone should be guaranteed at least his or her present salary or wage rate, hours of work, special allowances, holiday time, pension credits, and sick leave benefits. In general, the responsibility for offering continued employment should go to the Regional or Area Councils according to the division of functions. But since this might not accommodate all present staff it is felt that the Regional Council should be given the responsibility of offering employment to any staff which proves surplus to area municipality requirements; in such cases however, the area municipality involved should be required to show why it is unable to offer a position to the employee concerned.

It is felt that the guarantee should not extend in perpetuity however, so that in time merit will again come to play its proper role in the new administration.

Accordingly, I strongly recommend that:

EVERY PERSON WHO ON THE FIRST DAY OF JUNE 1969
IS EMPLOYED BY ANY OF THE MUNICIPALITIES, LOCAL
BOARDS, OR DISTRICT BOARDS IN THE DISTRICT OF
MUSKOKA, BE OFFERED EMPLOYMENT BY ONE OF THE

PROPOSED NEW GOVERNMENTS IN THE MUSKOKA REGION FOR AT LEAST THE FIRST YEAR OF ITS OPERATION, WITH AT LEAST THE SAME SALARY OR WAGE RATE, HOURS OF WORK, SPECIAL ALLOWANCES, PAID HOLIDAY TIME, PENSION CREDITS, AND SICK LEAVE BENEFITS AS HE OR SHE WAS ENTITLED TO ON THAT DATE, AND THAT THE COUNCIL RESPONSIBLE FOR OFFERING SUCH CONTINUED EMPLOYMENT SHALL BE DETERMINED AS FAR AS POSSIBLE ACCORDING TO THE PROPOSED DIVISION OF FUNCTIONS, AND FURTHER, THAT THE REGIONAL COUNCIL SHALL BE REQUIRED TO OFFER SUCH EMPLOYMENT TO ANY STAFF WHICH PROVES SURPLUS TO AREA MUNICIPALITY REQUIREMENTS, BUT THAT IN SUCH CASES THE AREA MUNICIPALITY INVOLVED BE REQUIRED TO SHOW WHY IT IS UNABLE TO EMPLOY THE PERSON OR PERSONS CONCERNED.

LOCATION OF MUNICIPAL OFFICES

I feel that the decision as to where the municipal offices should be located for the area municipalities and the Regional Government, should be left to the councils concerned, and not dictated by the Review. Similarly, the decision as to whether any decentralized sub-offices should be established is clearly a matter for council determination. No recommendation

seems necessary in this regard.

The Review is concerned however, with the need for greater coordination of certain related functions. The proposal that a Health and Welfare Coordinating Committee of the Regional Council be established is intended to bring about greater coordination in the formulation of policies for these related fields, and the Regional Council will have the same concern for coordinating its other departments. It is felt that such policy coordination should also extend to administrative arrangements, whereby the pooling of information, experience and the resources of staff and equipment should lead to improvements in service and savings in costs.

Accordingly, it is suggested that:

ACCOMMODATION FOR THE STAFFS INVOLVED IN THE
ADMINISTRATION OF REGIONAL SERVICES, INCLUDING
HEALTH AND WELFARE SERVICES, BE PROVIDED
WHERE FEASIBLE IN THE SAME OR ADJACENT QUARTERS,
TO PERMIT THE POOLING OF INFORMATION, EXPERIENCE,
STAFF AND EQUIPMENT WHEREVER PRACTICAL.

NAME OF THE REGIONAL CORPORATION

The proposed initial Region should clearly be referred to as Muskoka, and it is suggested that:

THE PROPOSED REGIONAL GOVERNMENT BE A BODY
CORPORATE KNOWN AS THE REGIONAL MUNICIPALITY
OF MUSKOKA.

The choosing of names for the area municipalities was discussed in Chapter 8.

CHAPTER 14FINANCETHE COST OF REGIONAL GOVERNMENT

Much concern has been expressed during the Review that the new governmental arrangements may prove more costly than the present system of local government in Muskoka. But costs have been rising even under present arrangements, and the burden of municipal taxation has been held to a relatively moderate rate of increase only because Provincial aid has been substantially increased in recent years.

Considering the backlog of needed improvements in services, it would be unrealistic to think that even if the present system of government were continued its costs would not rise appreciably in the future. Moreover, it is possible that the Province will be unable to continue to increase its assistance at as fast a rate as in the past, and this would leave a larger share of any cost increase to fall upon the local taxpayer. The legitimate concern therefore is not that taxes may go up, for they are bound to if services are to be improved, but rather that they may go up unduly, exceeding the taxpayers' ability to pay, and out of proportion to the benefits received.

In the final analysis, the responsibility for ensuring that this does not happen must rest with the elected representatives of the people, for it is the new councils and not the Review which must decide the expenditures

that will be made. It is the responsibility of the Review however to attempt to ensure that the financial arrangements in the proposed new system of government are such as to give all possible assurance that the councils will be able to do the job that must be done without an unreasonable increase in municipal taxation. The recommendations which follow are made with this intention.

FINANCIAL PLANNING

The key to maintaining a sound financial position is to be found in long-term financial planning, which should be recognized as of comparable importance to the physical planning of land use and development, and undertaken at the outset by the new system of government.

The basis of such a financial planning program would initially be the preparation of a five-year capital budget; but since current expenditures account for a far greater portion of the tax dollar than do debt charges, it will be essential to subsequently prepare a five-year current expenditures program as well, if the new governments are to obtain some insight into where they are heading financially, and thereby gain effective financial control.

These spending programs as initially prepared, must necessarily be rough approximations, particularly for the later years, because of the lack of past experience on which to base them. But they will still be better

than travelling blind, and can be refined as experience is gained, and in time, extended further into the future, perhaps to a ten-year period.

This is not to suggest that such financial foresight can be infallible, for obviously it cannot; but it will provide a set of bench-marks against which spending proposals can be compared, and it can therefore give warning sufficiently in advance of financial difficulties that remedial action can be taken in time. It is realized that what is here proposed is a somewhat more comprehensive approach to financial planning than is carried out even in most of our major urban areas, and it is only after long consideration that I have concluded it is both feasible and necessary for Muskoka.

The primary responsibility for financial planning must obviously rest with the Regional level of government, partly because of its role in debenture financing, partly because the proposed division of functions suggests that Regional Government expenditures will account for a significant part of the combined Regional-local tax dollar, and partly because only the Regional Treasury Department is likely to have the capability of undertaking the task, at least initially.

But the area municipalities will also account for a significant part of the total tax dollar, and it is clear that unless they too undertake a measure of financial planning, effective control over expenditures may

be at least partly lost. Thus I feel the area municipalities should also prepare financial plans, with advice and assistance from the Regional Treasurer.

I am not suggesting that the Regional Council should in this way be given control over area municipality spending; what is proposed is rather that through the preparation of financial plans by each level of government, and making these public, the necessary climate will be established for the exercise of informed public opinion through the democratic process, to ensure that sound and responsible spending decisions are made. And such financial plans would also of course, provide a good framework for consideration by the Ontario Municipal Board of applications for approval of proposed debenture financing.

To be given proper weight, and to serve as ongoing guides, the financial plans should be adopted by the respective councils, and annually updated.

Accordingly I suggest that:

THE REGIONAL AND AREA MUNICIPALITY GOVERN -
MENTS EACH UNDERTAKE THE PREPARATION OF
CAPITAL AND CURRENT EXPENDITURE PROGRAMS
COVERING AT LEAST A FIVE-YEAR FORECAST PERIOD
AND TO BE ANNUALLY UPDATED, THAT THE REGIONAL

TREASURER ADVISE AND ASSIST THE AREA MUNICIPALITIES IN THIS UNDERTAKING, AND THAT THESE FINANCIAL PLANS BE ADOPTED BY THE RESPECTIVE COUNCILS, AND MADE PUBLIC.

CAPITAL BORROWING

As discussed in Chapter 11, I am of the opinion that the Regional Government should be given sole responsibility for debenture financing. To accomplish this I recommend that:

THE REGIONAL COUNCIL BE GIVEN SOLE AUTHORITY TO BORROW MONEY AGAINST THE ISSUE OF DEBENTURES FOR ITS OWN PURPOSES AND THE PURPOSES OF ANY OF THE AREA MUNICIPALITIES, THAT THE DEBENTURES ISSUED SHALL BE DIRECT, JOINT AND SEVERAL OBLIGATIONS OF THE REGIONAL CORPORATION AND ALL THE AREA MUNICIPALITY CORPORATIONS, BUT THAT PAYMENT OF THE DEBT CHARGES INCURRED FOR THE PURPOSES OF AN AREA MUNICIPALITY SHALL BE THE SOLE RESPONSIBILITY OF THAT MUNICIPALITY.

TAXATION

Tax Levies and Billing

I recommend that:

THE REGIONAL COUNCIL LEVY ANNUALLY FOR ITS PURPOSES AGAINST THE AREA MUNICIPALITIES IN PROPORTION TO THEIR SHARES OF THE TOTAL EQUALIZED TAXABLE AND TAX-EQUIVALENT ASSESSMENT IN THE REGION; THAT EACH AREA MUNICIPALITY LEVY ANNUALLY FOR ITS PURPOSES AND FOR ITS SHARE OF THE REGIONAL LEVY, AGAINST ITS TAXABLE ASSESSMENT, SHOWING THE REGIONAL AND AREA LEVIES SEPARATELY ON THE TAX BILL; BUT THAT THE REGIONAL COUNCIL BE RESPONSIBLE FOR PREPARING AND MAILING THE TAX BILLS ON BEHALF OF EACH AREA MUNICIPALITY.

Child Welfare Levies

At present the levy of the Children's Aid Society on each municipality is based on the number of cases taken into care from that municipality (for protection costs) and on the population of that municipality (for the costs of prevention). It is recommended that:

WITH THE ADVENT OF REGIONAL GOVERNMENT, THE LEVY FOR CHILD WELFARE PURPOSES BE DISTRIBUTED AMONG THE AREA MUNICIPALITIES IN PROPORTION TO THEIR SHARES OF THE TOTAL EQUALIZED TAXABLE

AND TAX-EQUIVALENT ASSESSMENT IN THE REGION,
AS WITH THE LEVY FOR ALL OTHER REGIONAL
PURPOSES.

Tax Differentials

There are significant differences in the level of taxation among the present municipalities reflecting essentially, differences in the standards of services and facilities provided.

Insofar as the services or facilities of one municipality are in fact of real benefit to another which is not paying for them, it will be equitable to spread the costs among all who benefit; but beyond this, it is considered essential that tax differentials continue to exist in proportion to the standards of services and facilities actually enjoyed. As long as such differentials are assured, the areas lacking various services should benefit from inclusion in the larger units. With regard to the services and facilities provided by the Regional Government, they will by nature be of benefit to the entire Region, and the need for differentials in the Regional levy should therefore not arise; if however, a Regional service should be provided to a lesser standard in one or more parts of the Region, the principle of differential taxation should also be applied to the Regional levy.

Accordingly, I strongly recommend that:

EQUITABLE TAX DIFFERENTIALS WITHIN THE AREA MUNICIPALITIES, RELATED TO THE STANDARDS OF SERVICES AND FACILITIES ACTUALLY PROVIDED, BE ENSURED THROUGH DESIGNATION OF URBAN SERVICE AREAS AND APPLICATION OF THE LOCAL IMPROVEMENT ACT.

In cases of dispute over the designation of urban service areas, or the tax differentials adopted, appeal first to the Regional Council, then to the Ontario Municipal Board, should be provided for.

Business Tax

Both at the public hearings and on other occasions during the Review complaints were received about the application of the business tax, calculated on a year-round basis, to the many businesses in Muskoka which operate only on a seasonal basis. Upon checking the Assessment Act however, it would appear that it already contains provisions which will permit a seasonal business tax, and with the advent of District-wide Assessment, uniform treatment of all seasonal businesses in Muskoka in this regard should be possible. No recommendation seems necessary in this matter.

ASSETS AND LIABILITIES

The distribution of the assets and liabilities of the present

municipalities among the proposed new units of government is a matter of fundamental importance. After thorough consideration, I can find no sounder principle for such a distribution than that employed when the Municipality of Metropolitan Toronto was established, and again in the case of the Regional Municipality of Ottawa-Carleton; that both the assets and liabilities should be taken over by the new units without any compensation. Nor can I find a more eloquent argument in support of this principle than that given by Dr. Lorne R. Cumming, Q.C., in his report as Chairman of the Ontario Municipal Board which recommended the establishment of Metropolitan Toronto:

"Turning to the larger question of a general adjustment of assets and liabilities with respect to the assets to be taken over by the Metropolitan Council in the foregoing proposals, it is the considered opinion of the board, as previously stated in the specific proposals, that these assets should be taken over and operated for the benefit of the entire area without adjustment except for the assumption of outstanding indebtedness. In the board's opinion, the true nature of these assets is often misunderstood. Although they have been built and financed by the various individual municipalities and their local boards, they are not in a legal sense the property of the residents or ratepayers for the time being resident within the municipality where the assets are located. They are, in every sense of the word, public property and they are held in trust for the use and benefit of the present and future residents of the area within the jurisdiction of the local authority. But that area has no fixed and predetermined limits and it may be indefinitely enlarged or included with other areas for the purposes of local government at the will of the legislature. The municipal government is, after all, a government and not a commercial corporation which can wind up its affairs, sell its assets and distribute the proceeds among its

shareholders. For this reason it seems to the board that so long as the residents of the particular area are not deprived of the beneficial use of the assets built or maintained for them by their local government, the management and operation of the asset by a new type of local government which will be, in effect, a new trustee, deprives them of no rights whatever, and entitles them to no individual or collective compensation.

"Many of the most valuable assets to be transferred, such as the waterworks plants and the valuable undertaking of the Toronto Transportation Commission, have been paid for by the consumers and not by taxpayers, and a considerable portion of the revenue earned has been provided by the residents of the suburbs. While other assets have been built entirely out of taxation, size and capacity has in nearly every case been limited to the need of the residents of the limited area providing the tax revenue. It is true that some of the municipalities, more particularly the city, have undertaken costly street extensions, widening and improvements which are used by the residents of the city and suburbs alike, but such streets are public highways and no municipality can legally prohibit their free use by the travelling public or proceed on the theory that they are the exclusive property of the taxpayers within the particular municipality providing them.

"For these reasons the Board is of the opinion that the assets to be transferred to the Metropolitan Council under the foregoing proposals should be taken over without adjustment but subject only to the assumption and payment of outstanding capital indebtedness incurred by any local municipality for their construction, extension or improvement."

Accordingly I strongly recommend that:

THE REGIONAL COUNCIL BE GIVEN THE RESPONSIBILITY
OF DISTRIBUTING BOTH THE ASSETS AND THE LIABILITIES
OF THE PRESENT MUNICIPALITIES AMONG THE

NEW UNITS OF GOVERNMENT IN ACCORDANCE WITH THE DIVISION OF FUNCTIONS, WITHOUT ANY COMPENSATION, AND THAT IN THE EVENT OF ANY DISPUTE OVER SUCH APPORTIONMENT, APPEAL BE PERMITTED TO THE ONTARIO MUNICIPAL BOARD, WHOSE DECISION SHALL BE FINAL.

PROVINCIAL AID

The important role of provincial grants in municipal finance requires no emphasis; but such grants and other possible forms of provincial assistance take on special importance during the transition to a new form of municipal government. For it is highly desirable that such a transition, implemented in accordance with Provincial policies for the improvement of local government, should not result in the sudden loss of any Provincial aid to the areas involved. Indeed, I am of the opinion that if the program of Regional Government consolidation is to be successfully pursued, there should also be recognition of a need for certain special kinds of assistance to aid in overcoming the problems of transition. Similarly, the municipalities undergoing comprehensive reform into a new system of Regional Government, should not thereby be deprived of incentive grants which they would have received under piecemeal reform relating to one or another specific function.

The possible application of these principles to Muskoka can best be discussed with reference to particular Provincial grants.

Municipal Subsidies Adjustment Act

This Act provides for the maintenance of road grants following an amalgamation with or annexation to an urban municipality, and stipulates that such grants will be payable as if the amalgamation or annexation had not taken place, for a period of five years and then shall be progressively reduced during the succeeding five years.

I believe the principle embodied in this Act should be applied to the transition to a new system of local government in Muskoka, and accordingly I suggest that:

CONSIDERATION BE GIVEN TO AMENDING THE
MUNICIPAL SUBSIDIES ADJUSTMENT ACT SO AS
TO MAKE IT APPLICABLE WHEREVER LARGER
MUNICIPALITIES ARE CREATED BY COMBINING
EXISTING MUNICIPALITIES IN WHOLE OR PART,
AND SO AS TO EXTEND ITS APPLICATION TO OTHER
GRANTS AND SUBSIDIES AS WELL AS THOSE PAYABLE
UNDER THE HIGHWAY IMPROVEMENT ACT.

Municipal Unconditional Grants Act

The unconditional grants payable under this Act are geared

to municipal status along with population size. They are applicable to the relief of taxation on residential and farm properties only, and they are determined according to the municipal population reported in the last quinquennial census, with no adjustment for subsequent growth unless the municipality can satisfy the Province that its population has grown in the meantime by 7% or more.

The application of the unconditional grant to relieve residential and farm taxation results in the split mill rate, which following the recommendation of the Ontario Committee on Taxation may be expected to disappear, although no doubt the unconditional grant itself or a revised version of it (perhaps dropping the municipal status provision as recommended by the Tax Committee) is likely to remain. In any event, the restriction of the grant to the relief of residential and farm taxation is not a problem, but there would be a problem if the practice adopted in the Municipality of Metropolitan Toronto and the Regional Municipality of Ottawa-Carleton were applied in Muskoka. Under this practice, the grant calculated on the population of the whole area, is paid to the upper-tier government, and then distributed to the relief of residential and farm taxation in the area municipalities according to each municipality's proportion of the total residential and farm assessment in the region. Clearly, to distribute the grant in this way in Muskoka, would be to give the major share to those area municipalities with large amounts of cottage assessment. Yet the

population figures used in calculating the amount of the grant do not include cottage population.

This last point raises the question of whether the grant calculation should give at least some weight to cottage population. The arguments against such a change are: (a) that the cottager (provided he is an Ontario resident) is already receiving a benefit from the grant in his home municipality; (b) an extension of the grant to cottagers throughout Ontario would be costly; (c) that sufficiently accurate counts of cottage population are not available, and will be difficult to develop; and (d) that a cottager does not require as much municipal service as does a permanent resident and so does not justify such grant relief. The arguments for such a change on the other hand are: (a) that cottage population does add to the service load of a municipality and with the growing need for planning, pollution control, and other measures in cottage areas this extra load will be greater in future than in the past; (b) that although the cottager may be benefiting from the grant at his city home, he is paying taxes on his cottage as well and deserves some tax relief on it also; and (c) that with the announced intention of eliminating the Basic Shelter Exemption Grant which applies to cottages as well as permanent dwellings, extension of the unconditional per capita grant to cottagers would continue a measure of the kind of tax relief the Shelter Exemption Grant has provided from taxation on all shelter units.

All things considered, I am inclined to the view that a case can be made for giving part weight to the cottage population in calculating the unconditional per capita grant, when the Basic Shelter Exemption Grant is eliminated; and that with the Province taking over the assessment function, the assessed population data used in compiling municipal voters' lists should prove sufficiently reliable for calculation of the grant. Indeed, a side benefit of such a change would be the incentive it would provide for the development of accurate cottage population figures. The weight I would propose for cottage population in the grant calculation is half that accorded to permanent population, following the principle proposed for the determination of representation. This would in effect give half the usual per capita grant for each cottager - a relatively small amount in comparison to the shelter exemption grant.

In any event, I feel that whatever the unconditional grant for Muskoka amounts to it should be distributed amongst the area municipalities in accordance with their shares of the Regional population figure used in the calculation of the grant, and not according to their shares of residential assessment.

One further matter must also be considered, and that is the schedule to be used for calculating the grant in Muskoka. Following the example of Metropolitan Toronto and the Regional Municipality of Ottawa-Carleton, I believe the grant should be calculated on the population of the

entire Region, and that the proposed Regional Municipality of Muskoka should be considered a "metropolitan municipality" for purposes of the Act. According to the current schedule, this would give a grant of \$6 per capita.

Accordingly I recommend that:

THE MUNICIPAL UNCONDITIONAL GRANT BE
CALCULATED ON THE BASIS OF THE POPULATION
OF THE REGIONAL MUNICIPALITY OF MUSKOKA,
USING THE PER CAPITA RATE APPLICABLE TO
A METROPOLITAN MUNICIPALITY, AND THAT THE
GRANT BE DISTRIBUTED TO THE AREA MUNICIPAL -
ITIES ACCORDING TO THEIR RESPECTIVE SHARES
OF THE REGIONAL POPULATION FIGURE USED IN THE
CALCULATION.

And further, I suggest that:

CONSIDERATION BE GIVEN TO INCLUDING HALF
THE COTTAGE POPULATION IN CALCULATING THE
UNCONDITIONAL GRANT, FOLLOWING THE DIS -
CONTINUATION OF THE BASIC SHELTER EXEMPTION
GRANT.

Road Grants

The basic principle of adjustment proposed for road and other grants has been dealt with above, but it is necessary to mention two other matters. The first is the rate of subsidy which would apply to the proposed Regional Road System. In this regard, I believe the principle adopted in the Ottawa-Carleton Act is sound; it establishes a basic subsidy rate of 50% for the Regional Road System, which may be raised by the Minister of Highways to a maximum of 80% once he has approved a road plan prepared for the Region.

Accordingly I recommend that:

THE LEGISLATION ESTABLISHING THE REGIONAL GOVERNMENT SET A BASIC SUBSIDY RATE OF 50% FOR THE REGIONAL ROAD SYSTEM, AND EMPOWER THE MINISTER OF HIGHWAYS TO RAISE THIS TO A MAXIMUM OF 80% ONCE HE HAS APPROVED A REGIONAL ROAD PLAN, IF HE CONSIDERS THE NEEDS AND FINANCIAL CAPABILITY OF THE REGIONAL GOVERNMENT WARRANT SUCH A HIGHER RATE.

The other matter to be considered has to do with the secondary King's Highways in the District, some or all of which might some day become part of the Regional Road System, following discussions between

the Regional Council and the Department of Highways. As the rate of subsidy applicable to these highways if they were taken over would be determined in such negotiations, no recommendation is deemed necessary here; I feel, however, that the new Regional Government will face enough other problems as to make it incapable of taking over any secondary highways without accompanying grants which initially at least, would cover all or almost all of the added costs. The Province might also consider retaining responsibility for construction or reconstruction of these secondary highways, and turning over only the maintenance responsibility to the Regional Government - at least until such time as the highways had all been brought up to an acceptable standard of construction.

Transitional Assistance

I have two kinds of assistance in mind here. The first has to do with the field of General Welfare Administration, to become a responsibility of the Regional Government. I consider it appropriate that the special incentive grant which would be payable during the first year of operation had this function been taken over by a District Welfare Administration Board rather than the Regional Council, should not be lost to the Regional Government.

Accordingly I suggest that:

THE REGIONAL COUNCIL BE CONSIDERED ELIGIBLE

TO RECEIVE THE SPECIAL INCENTIVE GRANT
NORMALLY PAYABLE UNDER THE DISTRICT
WELFARE ADMINISTRATION BOARDS ACT TO A
NEW DISTRICT WELFARE ADMINISTRATION BOARD
DURING THE FIRST YEAR OF ITS OPERATION.

The second and more important transitional assistance I have in mind is in the field of planning, where because of the urgent need to establish a sound regional planning operation, the likely need for various special studies, and the proposed requirement that an Official Plan be adopted within three years, I consider it both necessary and desirable that the Province provide special planning assistance to the Regional Planning Board on a transitional basis. As it is felt that much of this assistance might be provided in kind - in the form of base maps, aerial photography, drafting assistance etc. - rather than in money, I do not consider it feasible to quantify the amount of assistance which should be provided; however, I do feel it reasonable to propose that it should be provided over the initial three-year period, during which the Regional Plan should be prepared.

Accordingly I recommend that:

THE PROVINCE PROVIDE, DURING THE THREE YEARS
AFTER THE REGIONAL GOVERNMENT COMES INTO
EFFECT, SUCH SPECIAL ASSISTANCE TO THE REGIONAL

PLANNING BOARD AS THE MINISTER MAY DETERMINE
TO BE NECESSARY AND DESIRABLE.

The third kind of transitional assistance has to do with the Regional Chairman, who, it is proposed, should be initially appointed by the Province. Following the tradition established in the Metropolitan Toronto Act, and the Ottawa-Carleton Act, I consider it appropriate to recommend that:

THE REMUNERATION PAID THE REGIONAL CHAIRMAN
DURING HIS FIRST TERM OF OFFICE BE BORNE BY
THE PROVINCE.

CHAPTER 15IMPLEMENTATION AND SUBSEQUENT CHANGE

If the practice established in other Reviews is followed in this case, the Minister will present this report to municipal representatives in the Review area almost immediately he receives it. Thus, the sponsoring municipalities and other affected local bodies will be given the report and the opportunity to react to it at the same time as the Province is studying it.

If local reaction to the proposals should prove largely negative, any steps toward implementation are likely to be delayed until the Province has formulated amended or compromise proposals for the area based upon local opinion and the Province's own appraisal of the situation. I would hope that any such compromise would include at least a Regional Council with significant powers, particularly in planning. On the other hand, if the recommendations are strongly supported locally, and the Province also finds them acceptable, it would be possible for implementing legislation to be passed at the fall 1969 session of the Legislature.

Possible Dates

Thus the date on which new local government arrangements might possibly take effect is speculative. It seems likely however, that there may be at least enough controversy over the proposals to ensure

that a minimum of a few months discussion will be required before any legislation is drafted. This would I think, rule out any real likelihood that the new arrangements could come into effect on the first day of January 1970.

Because for many reasons, it is preferable that any new system of government take effect at the first of a calendar year, this would suggest January 1st, 1971 as the most reasonable target date for the commencement of a new system of government in Muskoka. Although this would be a full year later than some had hoped for, it would have the advantage of allowing somewhat more lead time to prepare for the changeover than would be possible if a January 1st, 1970 deadline were to be met.

If such a transition is to take place smoothly and with a minimum of disruption in the performance of municipal functions, it is essential that there be at least a few months of lead time, and that this time be put to good use in making detailed preparations for the changeover.

The First Regional and Area Councils

I believe the proposed system of indirect election and appointment of the first Regional Chairman, can be turned to good advantage during the transition period by allowing an interim Regional Council to be set up without a special election, perhaps during the first half of 1970, to prepare to take over the Regional Government responsibilities as of

January 1st, 1971. The proposed area councils could also be established on an interim basis in this period to make similar preparations. While the present councillors have not been elected entirely according to the proposed ward system, this is not considered to be of great importance during the period of transition, and it would of course be overcome at the first election under the new arrangements. Such an initial election could be held in December of 1970.

Organizing the New Staffs

Of equal importance to establishing the new councils, is the task of organizing the new staffs at both tiers. Present municipal employees hired for new positions in the Regional or area municipality administrations, will probably have to do dual duty during the lead-in period, carrying their present jobs while at the same time setting up the new organization. And the hiring of any staff from outside the Region will require time for advertising and interviewing before the selection is made, and time after that for the new employee to move to Muskoka and take over his duties.

It is considered essential that the right staff be assigned to the right jobs in the new administrations, and the interim councils should, if possible, not be required to rush in making these appointments.

Undoubtedly, also, there are several fields in which outside advice - from the Province, or possibly in some cases from management

consultants - would be invaluable. In all cases, I feel the advice of the Provincial Department concerned with a municipal function should be sought before important staff appointments in that field are made. And in some cases, the Provincial Department concerned may be in a position to undertake or assist in special studies of the needs facing the new government units, with a view to determining the most effective administrative arrangements for meeting these needs.

Three particular kinds of study would seem especially pertinent in this regard. The first would be a Regional Fire Protection Survey, to be undertaken by the Ontario Fire Marshall's Office, before the new fire departments are established. I am convinced that such a survey would prove of great value to the new councils, and accordingly I recommend that:

THE ONTARIO FIRE MARSHALL BE REQUESTED TO
UNDERTAKE AS SOON AS POSSIBLE, A REGIONAL
FIRE PROTECTION SURVEY TO GUIDE THE REGIONAL
AND AREA COUNCILS IN SETTING UP THEIR FIRE
PROTECTION PROGRAMS.

The second would be a study or more properly studies of the road needs of both the Regional and area municipalities. Such studies will be essential to a rational division of Regional and local roads, and to the

establishment of proper priorities in both the Regional and area municipal road programs. The Department of Highways does not customarily undertake such studies, which are generally carried out by consulting firms; but the Department may pay up to 75% of the cost of such a study.

Accordingly it is recommended that:

THE DEPARTMENT OF HIGHWAYS BE REQUESTED
TO SUPPORT STUDIES OF THE ROAD NEEDS OF
THE REGIONAL AND AREA MUNICIPALITIES, AND
TO ADVISE THE RESPECTIVE COUNCILS ON SUITABLE
ADMINISTRATIVE ARRANGEMENTS FOR CARRYING
OUT THE NECESSARY ROAD PROGRAMS.

The third would be a study by the Department of Social and Family Services, to assist in determining the most suitable administrative arrangements for the three fields of welfare in the new Regional Government system.

I therefore recommend that:

THE DEPARTMENT OF SOCIAL AND FAMILY SERVICES
BE REQUESTED TO ASSIST THE REGIONAL COUNCIL
AND OFFICIALS OF THE CHILDREN'S AID SOCIETY
AND THE HOME FOR THE AGED, IN WORKING OUT THE

MOST SUITABLE ADMINISTRATIVE ARRANGEMENTS
FOR THE REGIONAL WELFARE PROGRAM.

Municipal Offices

Among the issues to be resolved under the new system, are the locations of the municipal offices of the Regional government and of each area government. I feel these are clearly matters for decision by the new councils, and not the Review.

ADAPTING TO SUBSEQUENT CHANGE

The rate of change evident in the world today makes it clear that beyond the possibility of adopting a larger Region, other adjustments to the proposed system of Regional Government will undoubtedly be required in time.

Rather than wait for such change to once more build up a need for major reform of local government arrangements, it is considered preferable that the new Regional Government system should be reviewed after several years of undisturbed operation, with a view to recommending such further adjustments as seem desirable.

With regard to the way in which change may be brought about, the recommendation that all councils be empowered to make contract arrangements with other municipalities, will result in a good deal of

flexibility in the proposed system. Similarly, the Regional powers of delegation in the fields of planning and pollution control should ensure that administrative arrangements in both these fields can adjust to change without difficulty.

But for the main features of the new system, and particularly the number of municipal units and the division of major functions amongst them, it is felt that the federated arrangements proposed should only be amended after consideration by the Provincial Legislature. Any major change in the system should therefore require legislative amendment, but it is considered feasible and desirable to empower the Regional Council to bring about minor changes without recourse to legislation.

Accordingly it is recommended that:

THE REGIONAL COUNCIL BE EMPOWERED TO
IMPLEMENT MINOR CHANGES IN THE DIVISION
OF FUNCTIONS OR IN INTER-MUNICIPAL
BOUNDARIES, PROVIDED THE COUNCILS OF THE
AREA MUNICIPALITIES INVOLVED AGREE, AND
SUBJECT TO APPROVAL BY THE MINISTER.

PART THREE
SUMMARY AND CONCLUSION

CHAPTER 16SUMMARY OF RECOMMENDATIONS

The recommendations have been classified into three categories, as discussed in Chapter 5: those which the Commissioner considers essential, denoted as strong recommendations; those which he considers clearly desirable, denoted as recommendations; and those which he feels are worthy of careful consideration, denoted as suggestions.

The recommendations are summarized in this chapter according to these three categories. The bracketed number after each recommendation indicates the chapter in which it is discussed.

STRONG RECOMMENDATIONS

1. A two-tier system of Regional Government be established for Muskoka, or for any larger Region of which Muskoka might ultimately become a part. (6)
2. The unorganized territories of Baxter and Gibson on the one hand, and of Sinclair and the west half of Finlayson on the other, be organized, and that this be done not by giving them separate municipal status, but by combining them with adjacent organized territory so as to form larger municipal units. (8)

3. There be six lower-tier municipalities, centered respectively on the Gravenhurst area, the Bracebridge area, the Huntsville area, the Muskoka Lakes area, the Lake of Bays area and the Georgian Bay area. (8)
4. Indirect election to the Regional Council be adopted except for the Regional Chairman. (9)
5. Every person who on the 1st day of June 1969 is employed by any of the municipalities, local boards, or District boards in the District of Muskoka, be offered employment by one of the proposed new governments in the Muskoka Region for at least the first year of its operation, with at least the same salary or wage rate, hours of work, special allowances, paid holiday time, pension credits, and sick leave benefits as he or she was entitled to on that date, and that the council responsible for offering such continued employment shall be determined as far as possible according to the proposed division of functions, and further, that the Regional Council shall be required to offer such employment to any staff which proves surplus to area municipality requirements, but that in such cases the area municipality involved be required to show why it is unable to employ the person or persons concerned. (13)
6. Equitable tax differentials within the area municipalities, related to

the standards of services and facilities actually provided, be ensured through designation of Urban Service Areas and application of the Local Improvement Act. (14)

7. The Regional Council be given the responsibility of distributing both the assets and the liabilities of the present municipalities among the new units of government in accordance with the division of functions, without any compensation, and that in the event of any dispute over such apportionment, appeal be permitted to the Ontario Municipal Board, whose decision shall be final. (14)

RECOMMENDATIONS

8. If a Regional Council is established for Muskoka, the Minister of Municipal Affairs should ensure that it is given representation on any review-type study committees set up to consider local government reorganization in the Districts or Counties immediately adjacent to Muskoka. (7)
9. The area of jurisdiction of the proposed Regional Government initially include all of the present District of Muskoka, plus that portion of the unorganized Township of Finlayson in the District of Nipissing, lying between the District of Muskoka and Algonquin Provincial Park. (7)
10. The boundary between the Georgian Bay municipality and the Muskoka

Lakes municipality follow the present west boundary of the Township of Medora and Wood. (8)

11. The eastern boundary of the Muskoka Lakes municipality, commencing at the south boundary of the District of Muskoka, follow the line between Lots 8 and 9 in the Township of Wood northerly to its intersection with Lake Muskoka; thence through Lake Muskoka, south and east of Browning Island and Eilean Gowan Island, to Cedar Bay (sometimes referred to as Boyd Bay) on the east shore of Lake Muskoka; thence east from the shore of Cedar Bay along the line between Concessions IV and V in the Township of Monck and north along the line between Lots 4 and 5 to the north boundary of Monck; thence east along that boundary then northerly along the boundary between Watt and Stephenson and easterly along the line between Concessions III and IV in the Township of Stephenson; thence northerly along the line between Lots 7 and 8 in the Townships of Stephenson and Stisted to the north boundary of the District of Muskoka. (8)
12. The boundary between the municipality centered on Gravenhurst and the municipality centered on Bracebridge follow the line between Concessions IX and X across both the Township of Muskoka and the Township of Draper. (8)
13. The boundary between the municipality centered on Bracebridge and

the municipality centered on Huntsville follow the line between Concessions III and IV in the Township of Stephenson. (8)

14. The boundary between the municipality centered on Huntsville and the municipality centered on the Lake of Bays, follow from west to east the line between Concessions III and IV in the Township of Brunel to the line between Lots 30 and 31, then north along said Lot line to the line between Concessions XI and XII, and thence easterly along that Concession line through the Townships of Brunel and Franklin to the east boundary of the District of Muskoka. (8)
15. The boundary between the Lake of Bays municipality and the municipality centered on Bracebridge follow the present boundary between the Townships of Macaulay and McLean, and between the southern portions of Stephenson and Brunel. (8)
16. The boundary between the Lake of Bays municipality and the municipality centered in Gravenhurst follow the present north boundary of the Township of Oakley. (8)
17. The area municipalities centered on Gravenhurst, Bracebridge, Huntsville and the Muskoka Lakes be given the status of Towns, and the Georgian Bay and Lake of Bays municipalities the status of Townships. (8)

18. The names of the new area municipalities be chosen by the respective area councils. (8)
19. The first Chairman of the Regional Council be appointed by the Lieutenant Governor in Council, that thereafter the Chairman be directly elected at large within the Region, and that each Chairman be a resident of the Region. (9)
20. An unstaggered three year term of office be adopted for all councils in the Region. (9)
21. Winter elections be adopted for all councils in the Region. (9)
22. A system of postal balloting, involving pre-registration of qualified voters who expect to be absent from their municipality on election day, be adopted throughout the Region, and that with such a system, a common day in November for nominations and a common day three weeks later in early December for elections be adopted by each area municipality. (9)
23. If postal balloting is not adopted, then polling should take place in all the area municipalities on two consecutive Saturdays in early December. (9)
24. In determining representation according to population, cottage population

be given approximately half the weight accorded to permanent population. (10)

25. Representation on area councils be by wards, with the head of council elected at large in each area municipality; and representation on the Regional Council comprise the head of each area council, the ward representative polling the highest number of votes from each ward electing two or more area council representatives, and one ward representative from each proposed grouping of the remaining wards, chosen either by agreement among the representatives of that group or, if they fail to agree, by the respective area council as a whole. (10)
26. The wards shown on Plate 5, and the ward groupings and numbers of representatives shown in Table 5 be adopted as the system of representation for the proposed two tiers of government, giving a Regional Council under the Chairman of twenty-one members, comprising four each from the municipalities centered on Gravenhurst, Bracebridge, Huntsville and the Muskoka Lakes, three from the Georgian Bay Municipality, and two from the Lake of Bays Municipality. (10)
27. Functions be allocated by legislation between the upper and lower-tier governments in accordance with the division set out in Table 6, interpreted in the light of the discussion in Chapter 11. (11)
28. That the relationship between the two tiers be that of a federation in

which both tiers are equal partners given different responsibilities, except for planning, subdivision control, zoning, building control, plumbing control and septic disposal system control, for which the Regional Council shall be responsible but permitted to delegate as it sees fit to the area councils, which will be subordinate to the Regional Council in these fields. (11)

29. The proposed Region be defined as a single Planning Area under the Planning Act. (11)
30. The legislation establishing the Regional Government require the Regional Council to adopt and submit to the Minister, within three years of the date the Regional Government comes into effect, an Official Plan for the Planning Area. (11)
31. The legislation establishing the Regional Government designate the whole of the Region as an area of subdivision control, and until such legislation takes effect, the Minister use his powers under Section 27 of the Planning Act to establish interim subdivision control in those parts of the Region where no subdivision control by-law is now in effect. (11)
32. The legislation establishing the Regional Government require the Regional Council, within a reasonable time of its inaugural meeting,

to designate the facilities to be included in the Regional Sewer System and the Regional Road System, and permit the Regional Council to designate from time to time which if any parks, community centres, arenas, ice rinks, museums, or similar facilities will be assumed by the Regional Government. (11)

33. The legislation establishing the Regional Government empower the Minister of Municipal Affairs to delegate to the Regional Council any of his powers of approval under the Planning Act. (11)
34. The Ontario Provincial Police assume responsibility throughout the Region for police protection, leaving by-law enforcement as an area municipality responsibility; but if the O.P.P. is unable for the time being to take on this additional workload, area municipality responsibility for police protection in the interim be limited to the proposed Gravenhurst, Bracebridge and Huntsville wards. (11)
35. Councils be permitted to establish standing committees and to co-opt non-elected citizen members to them, so long as a majority of the voting members of each committee are sitting members of the council. (12)
36. An Executive Committee of the Regional Council be elected each year by the Regional Councillors from among themselves, comprising one

representative of each of the area municipalities, plus the Regional Chairman who shall also serve as Chairman of the Executive Committee. (12)

37. An Executive Committee of each area council be elected each year by the councillors from among themselves, of a size to be determined by each council, provided that the five-member councils be permitted to have the council as a whole perform the executive functions. (12)
38. A Regional Planning Board, and an Area Planning Board for each area municipality, be established by legislation, each board to comprise the Executive Committee of Council if there is one, or the whole council if there is not, along with such other councillors and co-opted citizen members as the council may determine and appoint by by-law, provided that a majority of the voting members of each board shall be councillors. (12)
39. A committee of adjustment be established under the Planning Act for each of the area municipalities, but that the legislation establishing Regional Government empower the Regional Council to determine the number of land severances which each committee may consent to. (12)
40. The Regional Council constitute by by-law a court of revision for each area municipality, under the provisions of the Assessment Act. (12)

41. Libraries, community centres, parks, recreation, museums, cemeteries, industrial promotion and any other municipal functions of like nature now handled by appointed boards, be made the responsibility of standing committees of the councils concerned, the committees to include such co-opted citizen members as the council may determine and appoint by by-law, provided that the majority of voting members in each case shall be councillors; and further, that the legislation establishing the new system of government stipulate that where any Act requires a board to administer one of these functions, the respective committee shall be deemed to be a board for the purposes of that Act. (12)
42. The existing Public Utilities Commissions be continued until the most desirable future arrangement for the services they now perform has been determined through discussions involving representatives of the P.U.C.s, Ontario Hydro, and the Regional Council, and that in the meantime, extension of their service areas be considered only for water and not electric power, and nominations and elections for the Commissions take place only within their respective service areas, the present Windermere Commission to continue to comprise three councillors but from the area municipality council. (12)
43. The representation zones used by the Muskoka-Parry Sound District

Health Unit Board be eliminated within the proposed Muskoka Region, and the remaining zones be reorganized so they will include Sherborne, McClintock and Livingstone and exclude Cardwell, and that one of the Provincial appointees along with the six representatives from the zones entirely or mainly in Muskoka be replaced by a seven-member Subcommittee of the Muskoka Regional Council, on which four of the members shall be councillors and three co-opted citizen members appointed by by-law of the Regional Council. (12)

44. The Muskoka District Home for the Aged Board be replaced by a Subcommittee of the Regional Council comprising three councillors and two co-opted citizen members appointed by by-law of the Regional Council. (12)
45. General Welfare Administration along with any other welfare services except Child Welfare and the Home for the Aged, be administered under a Subcommittee of the Regional Council comprising three councillors and two co-opted citizen members appointed by by-law of the Regional Council. (12)
46. The Executive of the Muskoka District Children's Aid Society be reduced from nine to seven members of which four shall be Regional Councillors and three co-opted citizen members appointed by by-law of the Regional Council. (12)

47. The Regional Councillors on the Subcommittees for Health, General Welfare, Child Welfare and the Home for the Aged comprise a Health and Welfare Coordinating Committee under the Chairmanship of the Regional Chairman. (12)
48. The legislation establishing Regional Government constitute a Municipal-Education Liaison Committee comprising the Chairman of the Regional Council, the Chairman of the Muskoka District Board of Education, and such other members as the Council and Board may respectively appoint. (12)
49. The Regional Council appoint both a Regional Clerk and a Regional Treasurer. (13)
50. The Regional Council appoint a Regional Planning Director who shall be a member or qualify for membership in the Town Planning Institute of Canada. (13)
51. The Regional Council appoint a Regional Engineer to serve as Roads Commissioner and Works Commissioner, who shall be a Professional Civil Engineer. (13)
52. The Regional Council appoint a qualified Welfare Administrator to be placed in charge of General Welfare Administration for the Region. (13)
53. Each council be empowered to contract for the provision of services

with other councils or Provincial Departments. (13)

54. The Regional Council be given sole authority to borrow money against the issue of debentures for its own purposes and the purposes of any of the area municipalities, that the debentures issued shall be direct, joint and several obligations of the Regional Corporation and all the area Municipality Corporations, but that payment of the debt charges incurred for the purposes of an area municipality shall be the sole responsibility of that municipality. (14)
55. The Regional Council levy annually for its purposes against the area municipalities in proportion to their shares of the total equalized taxable and tax-equivalent assessment in the Region; that each area municipality levy annually for its purposes and for its share of the Regional levy, against its taxable assessment, showing the Regional and Area levies separately on the tax bill; but that the Regional Council be responsible for preparing and mailing the tax bills on behalf of each area municipality. (14)
56. With the advent of Regional Government, the levy for Child Welfare purposes be distributed among the area municipalities in proportion to their shares of the total equalized taxable and tax-equivalent assessment in the Region, as with the levy for all other Regional purposes. (14)

57. The Municipal Unconditional Grant be calculated on the basis of the population of the Regional Municipality of Muskoka, using the per capita rate applicable to a metropolitan municipality, and that the grant be distributed to the area municipalities according to their respective shares of the Regional population figure used in the calculation. (14)
58. The legislation establishing the Regional Government set a basic subsidy rate of 50% for the Regional Road System, and empower the Minister of Highways to raise this to a maximum of 80% once he has approved a Regional Road Plan, if he considers the needs and financial capability of the Regional Government warrant such a higher rate. (14)
59. The Province provide, during the three years after the Regional Government comes into effect, such special assistance to the Regional Planning Board as the Minister may determine to be necessary and desirable. (14)
60. The remuneration paid the Regional Chairman during his first term of office be borne by the Province. (14)
61. The Ontario Fire Marshall be requested to undertake as soon as possible, a Regional Fire Protection Survey to guide the Regional and area councils in setting up their fire protection programs. (15)
62. The Department of Highways be requested to support studies of the

road needs of the Regional and area municipalities, and to advise the respective councils on suitable administrative arrangements for carrying out the necessary road programs. (15)

63. The Department of Social and Family Services be requested to assist the Regional Council and officials of the Children's Aid Society and the Home for the Aged, in working out the most suitable administrative arrangements for the Regional Welfare program. (15)
64. The Regional Council be empowered to implement minor changes in the division of functions or in inter-municipal boundaries, provided the councils of the area municipalities involved agree, and subject to approval by the Minister. (15)

SUGGESTIONS

65. The Minister of Municipal Affairs ensure that studies to determine satisfactory long-term boundaries for the Governmental Region containing Muskoka, be undertaken within the next few years. (7)
66. Upon adoption of a three year term of office for municipal councils in the Region, the term of office for the District Board of Education also be made three years, and the respective terms be made to coincide. (9)
67. The extended franchise be adopted in each of the area municipalities,

and that this be done by waiving the requirement in the Municipal Franchise Extension Act that the assent of the electors be obtained. (9)

68. The Regional Council appoint a Regional Fire Services Director. (13)
69. The Regional Council appoint a Regional Librarian, preferably a person trained and qualified as a professional librarian. (13)
70. The Regional Council employ all building and plumbing inspectors in the Region, and assign them in teams, each team to serve one or more area municipalities and to advise and report to the area councils concerned. (13)
71. Accommodation for the staffs involved in the administration of Regional services, including Health and Welfare services, be provided where feasible in the same or adjacent quarters, to permit the pooling of information, experience, staff and equipment wherever practical. (13)
72. The proposed Regional Government be a body corporate known as the Regional Municipality of Muskoka. (13)
73. The Regional and Area Municipality Governments each undertake the preparation of capital and current expenditure programmes covering at least a five year forecast period and to be annually up-dated, that the Regional Treasurer advise and assist the area municipalities in this undertaking, and that these financial plans be adopted by the

respective councils, and made public. (14)

74. Consideration be given to amending the Municipal Subsidies Adjustment Act so as to make it applicable wherever larger municipalities are created by combining existing municipalities in whole or part, and so as to extend its application to other grants and subsidies as well as those payable under the Highway Improvement Act. (14)
75. Consideration be given to including half the cottage population in calculating the unconditional grant, following the discontinuation of the basic shelter exemption grant. (14)
76. The Regional Council be considered eligible to receive the special incentive grant normally payable under the District Welfare Administration Boards Act to a new District Welfare Administration Board during the first year of its operation. (14)

CHAPTER 17CONCLUSION

With the publication of this report, the phase of the Muskoka Review entrusted to the Commissioner will have come to an end. The Review has represented a significant joint undertaking of the Province and the sponsoring municipalities in the Review area, to which each has committed not only financial support, but also much information, and more important still, the deep concern of its government leaders to find a better system of local government for Muskoka.

As Research Director, and then Commissioner, I have attempted to compile the essential facts, identify and measure the problems, suggest alternative ways of meeting them, and point up the tough issues which must in one way or another be resolved. Much of the Review was in effect, a dialogue between myself and the many citizens in Muskoka who are concerned about its future, a dialogue to which they contributed more than I. In this Report I have tried to distill from the many ideas for constructive change, a workable scheme for a more effective system of local government. Much of the scheme is from the people of Muskoka, who have made this their Review in the fullest sense. But the responsibility for the recommendations is of course, mine alone. I hope the proposals will prove acceptable, and I urge their adoption.

In concluding my assignment, the initiative in carrying the Review forward to adoption and implementation is returned to the leaders of Muskoka and the Province.

It is now their task to forge the final solution.

APPENDICES

APPENDIX A

Letter from the Honourable J. W. Spooner, then Minister of
Municipal Affairs, launching the Review:

DEPARTMENT OF MUNICIPAL AFFAIRS

801 Bay Street,
Toronto 5, Ontario,
May 10th, 1967.

Re: The Muskoka District Local
Government Review

Over the past three years representatives from the Department of Municipal Affairs have participated in the meetings of the Muskoka District Council about the many inter-municipal problems concerning the municipalities of the District arising from the seasonal and year-round cottage and resort development, and the more recent industrial growth that has begun to change the economic character of the area.

As a result of these deliberations, the Muskoka District Council, at its Annual Meeting in May 1966, adopted by formal resolution a proposal addressed to me supporting a local government study to be carried out along the lines of similar studies under way in other regions in the province, but having regard for the particular problems facing the municipalities of Muskoka.

Following further meetings to determine the procedures to be followed in the conduct of the study I was pleased to inform the Muskoka District Council in November 1966 that subject to the employment of qualified personnel, beginning with a Research Director, I would authorize the proposed study to be undertaken. Since that time a committee, to be known as the Muskoka District Local Government Review Study Committee, has been organized to serve as a liaison between representatives of the Department of Municipal Affairs and other provincial departments and the municipalities and the various organizations represented on the committee.

One of the first responsibilities of the Muskoka District Committee has been to assist in defining the Terms of Reference for the study.

Therefore, I am now able to announce that, in accordance with the provision of the legislation authorizing the Department to inaugurate

investigations into any of the affairs of any municipality, or group of municipalities, I have, as of today, instituted an inquiry to be known as The Muskoka District Local Government Review with the following Terms of Reference:

To inquire into and report upon -

- (a) the structure, organization, financing and methods of operation of all the municipalities and their local boards in the District of Muskoka;
- (b) all aspects of the functions and responsibilities of the existing local government institutions within the said area, and, in particular, without limiting the generality of the foregoing, inter-municipal relations and problems which concern or may concern any two or more of the municipal corporations or local boards having jurisdiction within the said area;
- (c) the anticipated future development of the area or other changes therein which may require reorganization or revision of the existing system of local government in the area;
- (d) the effect of present and anticipated future projects and operations of the national and provincial governments upon the responsibilities and resources of local government therein;
- (e) any other related matters, including an examination of boundaries, affecting the local government structure within the area.

I have also appointed, as the full-time Research Director of the study, Mr. Donald M. Paterson, M.A., who has served in a similar capacity for the Lakehead Local Government Review, and prior to that for the Local Government Review of Ottawa, Eastview and Carleton County Area. Mr. Paterson is a native of Ontario and a graduate of the University of Toronto. He holds an M.A. in Economics and a diploma in Town and Regional Planning. Over the past twelve years he has served in several responsible planning positions at the municipal level and was more recently, from 1959 to 1964, the Director of Research on the staff of the Metropolitan Toronto Planning Board where he undertook many studies related to municipal finance and local government organization.

During the first stage of the Muskoka District Local Government Review the Research Director, working with the local officials of the various municipalities and boards in the area, will assemble various statistics and other factual information from both local and provincial sources, leading to the preparation and distribution of a Data Book to be used in the preparation of briefs and submissions by the local councils, other organizations and individuals. Throughout this period the Research Director will remain in constant touch with the Muskoka District Local Government Review Study Committee. He will serve throughout as the secretary of the Commission.

Following the distribution of the Data Book the Commission will be appointed and will schedule public hearings throughout the District after allowing sufficient time for the preparation of briefs and opinions. Finally, the Commission having given consideration to the material obtained through research and submissions, will prepare and present its report and recommendations to the Minister and the municipalities.

The Department of Municipal Affairs will temporarily finance the Review, but after it has been completed the municipalities in the area will be required to reimburse the Province for half the cost. The municipalities will distribute their share among themselves in any manner which they consider equitable.

May I respectfully request that you convey this announcement to all local boards and commissions operating in your municipality. A letter similar to this has been sent directly to the secretary-treasurers of all school boards. Additional copies are available if required.

It is my sincere hope that full and continuous co-operation of all elected and appointed officials in each of the municipalities of the District will be extended to the Commission and its staff.

Yours very truly,

J. W. Spooner,
Minister.

APPENDIX BSUMMARY OF PRELIMINARY RECOMMENDATIONS
ISSUED IN OCTOBER 1968Structure

- (1) That an upper tier or District government be established in Muskoka.
- (2) That a lower tier be established, comprising area municipalities fewer in number and larger in size than the existing local municipalities.
- (3) That if it proves necessary to retain the existing local municipalities, this be done by placing them on a third or lowest tier, responsible for functions of a purely local nature.
- (4) That indirect election be used whether a two-tiered or a three-tiered system is adopted: with three tiers, all the members of each area council (on the intermediate tier) would also sit as members of the District council.
- (5) That the District council have an executive committee to be elected by the District council members from among themselves, with the chairman of the District council also serving as chairman of the executive committee.
- (6) That the first chairman of the District council be appointed by the Province, and that subsequent chairmen either be elected at large or chosen by the District councillors, either from among themselves or from among qualified citizens resident in the District; if the chairman is chosen from the District council members, the municipality which thereby "loses" its representative would fill the position by holding a by-election.
- (7) That existing local boards be altered as necessary to conform with the division of functions which is adopted.
- (8) That the three existing district-wide boards be retained, with the appointment of District councillors to form a minority of the membership of each board.
- (9) That a District planning board be established with the executive

committee of the District council comprising the majority of its membership and appointed citizen members making up the remainder.

- (10) That a planning board or a planning committee of council (perhaps with some co-opted citizen members) be established in each area municipality, and that in the case of a board, the area councillors be permitted to comprise either a minority or a majority of the board's membership.
- (11) That the area planning boards be subordinate to the District planning board, but that the District board be given the power to delegate any responsibilities that it wishes to the area boards.

Representation

- (12) That representation on the District council, and on the area councils if the existing local municipalities are retained as a third tier, be by municipality, but with the number of representatives from each municipality determined so as to approach representation according to population, with seasonal residents given some weight in determining the numbers.
- (13) That the term of office of all councils in the District be at least two years and possibly three years.
- (14) That the extended franchise be adopted throughout the District.
- (15) That a common date in November be chosen for the nominations in all municipalities, and a common date in December for the elections.
- (16) That a "mail-in" ballot procedure be adopted throughout the District to facilitate voting by seasonal residents.
- (17) That members of the District council and of the area councils be given remuneration commensurate with their responsibilities.

Boundaries

- (18) That consideration be given to removing most or all of the unorganized townships of Baxter and Gibson from the District of Muskoka and attaching them to the County of Simcoe, and to removing approximately the western two-thirds of the organized Township of Freeman from

the District of Muskoka and attaching it to the District of Parry Sound; provided that at least the southern two-thirds and possibly the whole of Humphry Township, including the Village of Rosseau, along with the south-eastern or eastern portion of the Township of Conger, be brought into the District of Muskoka; and provided that the portion of Finlayson Township lying between the present Muskoka District boundary and Algonquin Park, and more or less of the united Township of Sherborne, McClintock and Livingstone, be brought into the District of Muskoka.

- (19) That consideration be given to four alternative schemes for determining the boundaries of the proposed area municipalities. (These alternatives were shown in map form in the Preliminary Recommendations Report; the number of area municipalities ranged from 7 to 9 in the various schemes.)
- (20) That all unorganized territories remaining in or brought into the District of Muskoka be organized, but that in each case they be attached to an existing organized municipality so as to form a larger municipal unit, rather than giving them councils of their own.
- (21) That any organized municipalities brought into the District through changes to the outer boundary, be treated in the same manner as the organized municipalities now in the District when establishing the proposed area municipalities.
- (22) That local service areas be established within each area municipality as required to assure that the costs of services which are provided to a part of the municipality are not borne by those who do not benefit from them.

Functions

- (23) That the division of functions be determined initially by legislation, but that subsequent changes in the functions allotted to the District council may be made by the Minister of Municipal Affairs, without the requirement of a legislative amendment.
- (24) That if a three-tiered system is established, the division of functions between the intermediate and the lowest tier be initially established by legislation, but that subsequent changes between an area municipality and its constituent local municipalities may be made either by the Minister of Municipal Affairs, or by a two-thirds vote of the

SUGGESTED DIVISION OF FUNCTIONS

Function	<u>Lower Tier in a 2-Tier System</u>		Upper
	Area	Councils	Tier
	<u>Lowest Tier in a 3-Tier System</u>	<u>Intermediate Tier in a 3-Tier System</u>	
	<u>Local Councils</u>	<u>Area Councils</u>	<u>District Council</u>
assessment			X
building and plumbing inspection		X	
capital borrowing			X
cemeteries, museums, etc.	X		
clerk-treasurer functions	X	X	X
conservation			X
economic development			X
emergency ambulance service			X
fire protection		X	X
garbage collection	X		
garbage disposal		X	
health			X
hospital facilities planning			X
libraries		X	X
parks	X		
planning		X	X
police protection *	X		
purchasing		X	X
recreation	X		
roads		X	X
sewage disposal		X	
tax billing			X
water supply		X	
electricity supply **		X	
welfare - general			X
- child			X
- aged			X

* only where a municipal police department now exists

area council, without the requirement of a legislative amendment in either case.

- (25) That the proposed division of functions set out in the accompanying table be considered in the light of the alternatives for a two-tiered or three-tiered system, and of the alternative boundary schemes for the area municipalities.

APPENDIX CLIST OF SUBMISSIONSFROM THE MUSKOKA AREAMunicipal Councils

Bala and Port Carling
Bracebridge
Draper
Freeman
Gravenhurst
Huntsville
Macaulay
Medora and Wood
Monck
Muskoka
Oakley
Port Sydney, Brunel, Cardwell, Chaffey, Franklin, McLean,
Stephenson, Stisted and Watt
Ridout
Ryde
Windermere

Boards

Algonquin Regional Library System
Bracebridge Public Library Board
Muskoka-Parry Sound Health Unit Board
South Muskoka Memorial Hospital Board

Associations

Gibson-Baxter Committee of 8 Associations and Go Home Lake
Cottagers' Association
Gibson Lake Cottagers' Association and South Gibson Local
Roads Board
Georgian Bay Association
Go Home Bay Community (Madawaska Club)
Gloucester Pool Cottagers' Association *
Muskoka Lakes, Lake of Bays, Peninsula Lake Associations
Muskoka Law Association

Associations - cont'd.

Muskoka Tourist Association
 Ontario Municipal Electric Association
 Sixmile Lake Cottagers' Association

Firms

Shoreline Vacation Properties Ltd. *

Individuals

Dr. W. H. Bennett
 Mr. L. W. Clarke
 Mr. W. J. Dodd *
 Mr. W. T. House
 Mr. J. D. MacKay *
 Mr. R. C. Melhuish
 Messrs. R. D. Patchett, J. B. Reid, G. Boyes, C. T. Boyes *
 Mrs. C. Robinson
 Mrs. G. Sahanatien
 Mrs. J. W. Schell *
 Mr. R. Scott **
 Mr. R. Smith *
 Mr. G. Williams

FROM ADJACENT AREASFrom Parry Sound District:

Carling Township Council *
 Christie Township Council *
 District of Parry Sound Municipal Association
 Humphry Township Council and Planning Board
 McKellar Township Council *
 Parry Sound District General Hospital *
 Parry Sound Town Council
 Rosseau Village Council **
 Sans Souci and Copperhead Association
 West Parry Sound Board of Education

From the Haliburton Area:

Bicroft Improvement District Board of Trustees *
 Cardiff Township Council *
 Council of the Provisional County of Haliburton
 Haliburton Highlands Chamber of Commerce *
 Mr. R. G. Hodgson, M.P.P. *
 Mrs. W. G. Horne *
 Lutterworth Township Council *
 Mr. N. McNeill, Librarian, Haliburton County Public Library System *
 Messrs. L. C. Roberts and M. Fearrey *
 Mr. C. F. Rogers *
 Sherborne, McClintock and Livingstone Municipal Council
 Mrs. D. Suter *
 Mrs. M. Tallman *

* written submission only

** oral submission only

APPENDIX D

EXTRACT FROM A STATEMENT TO THE ONTARIO
LEGISLATURE BY THE HONOURABLE W. DARCY MCKEOUGH,
DECEMBER 2, 1968.
(Design For Development - Phase Two)

Mr. Speaker, I would now like to discuss briefly a few of the salient characteristics which our new Regional Governments will exhibit. I shall do this by describing Regional Government characteristics under four headings:-

1. The Size
2. The Shape,
3. The Internal Structure, and
4. Representation on Regional Governing Bodies.

Size

The Ontario Committee on Taxation observed that the size of a Regional Government should be the result of the interplay of two factors, - service and access.

On the service side the major determinant of size is the population base needed to carry out effective local government programs. Our experience and discussions with other Departments and with Municipalities suggest conclusively that a minimum regional population of from 150,000 to 200,000 is required for the efficient provision of most local services.

Access is described by the Ontario Committee on Taxation in the following terms: "The most widespread participation possible on the part of all, or virtually all, individual citizens ... in terms of capacity to influence public policy decisions and to enforce responsive and responsible administration".

Obviously, access becomes virtually impossible in many rural and northern areas if we adhere rigidly to our minimum desirable population figures - areas would be so large that individual access to regional decision-making would be meaningless. To this extent, our Regional Governments will show variation in population and size.

However - and I wish to emphasize this - our objective is a set of Regional Governments with a population of at least 150,000 to 200,000.

If we adopt a similar line of reasoning for the lower tier in a two-tier system of Regional Government, I suggest that the minimum population of local municipalities in a region should be from 8,000 to 10,000.

Shape

The shape of a Regional Government will depend ultimately on the nature of the area we define as appropriate for Regional Government purposes.

The definition of the appropriate regional complex entails some significant decisions. Most important, should we, as implied in the Smith Report, sharply distinguish between rural and urban areas or should we try to combine rural and urban within one region?

The Government proposes that Regional Government must be viewed in terms of the urban-centred region. By this I mean that the region will cover the major urban centres and the surrounding areas which together share social, economic and physical services.

We accept this definition of the Region. The old distinction between urban and rural interests is breaking down - rural and urban attitudes are moving closer together all the time. In earlier times when transportation was primitive and economic activity was on a small scale, we could think of Ontario as a series of small self-contained communities divided into two identifiable societies - city and country. Each of these societies had its own values and aims.

Now, however, we are one society where some live in big communities and others live in towns, villages or rural areas. But our aims - the education we seek for our children and the services we expect from our Governments - in other words, - the quality of life we all strive for - is not so different regardless of the type of community we live in.

Another reason for accepting the urban-centred region is a

trend which I have already mentioned. There is a great common sharing of services between rural and urban Ontario. I refer to a sharing of services not only at the municipal level, but also hospitals, schools, commercial services, employment and a variety of other activities.

Because of this emerging community of interest, the shape our Regional Governments will take covers the urban centre and its rural hinterland, both of which are, in fact, mutually interdependent.

Internal Structure

When we turn to the internal structure of our new Regional Government, one question is paramount - one-tier or two-tier regions?

One-tier Regional Government means that a region will have its municipal services administered by one municipality covering the entire region. Two-tier Regional Government will divide municipal functional responsibilities between two levels of Local Government - a Regional Municipality and a group of smaller local municipalities.

It is, Mr. Speaker, our decision that judgments respecting the question of one or two-tier Regional Governments must be made on an individual Regional basis following detailed study and consultation in each area.

When we make this decision in each area it will be based on

the following factors:

- Size of the proposed region - a very large region may require lower tier municipalities in order to retain the vital element of accessibility,
- Population distribution within the proposed region - the degree of concentration of population will be an important factor in determining the form of the Regional Government structure,
- Distribution of fiscal resources - these may well determine whether it is possible to have financially viable lower tier units,
- Physical and social geography - a range of hills, a lake, a river, or cultural and linguistic differences in a region, may lead to a decision to have two tiers in order to provide effective services and to preserve existing social communities in a region.

These, together with local attitudes, Mr. Speaker, are the things we shall take into account when deciding whether a particular area will have one or two-tier Regional Government.....

Representation

The fourth subject I wish to refer to in describing our concept of Regional Government is representation. The new Regional Government councils will be the most important policy-making bodies in local government, indeed, second only to this House.

There is no doubt in my mind that the only acceptable principle today is representation by population. In the past, the principle of

"Rep-byPop" has been honoured in theory and violated in practice by all levels of Government. However, we have seen recently a significant movement toward recognition of this concept both in this House and in the Federal Parliament. We expect a similar movement at the municipal level as Regional Governments are organized.

I accept the validity of the argument that rural ridings with fewer voters than urban ridings must be assured of adequate representation. However, I must emphasize that in our Regional Government system we will place a high priority on a system of representation giving all residents a reasonably equal voice in regional decisions.

Another aspect of representation deals with the special problems of a two-tier regional system. Two methods of selecting Regional Council Members can be used: - they may be directly elected to the Regional Council, or they may be indirectly elected by becoming elected members of lower tier units and then being designated to sit on the Regional Council. Members will note that the present county system is a form of indirect election.

I must say, in all frankness, that we do not know at this time which system is superior. Convincing arguments have been advanced for both forms of election. In view of this we hope to experiment with two-tier Regional Governments embodying both principles in order to see which form does, in fact, work better.

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